Ind. Governors 8-10-61

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CHAPTER XVIII.

GOVERNOR JENNINGS' ADMINISTRATION.

WE now come to a consideration of the history of the State of Indiana, which extends over a period from 1816 to 1875. The contemplation of events within this period is a source of pleasure to every Indianian. There are only the fresh memories of the civil war to mar this pleasure. All else is calculated to awaken the highest enthusiasm and the loftiest patriotism. Amazing progress! are the only words that seem to convey the idea which this contemplation brings most vividly to the mind. To what quarter of the globe can we point, where, in the short space of fifty years, material progress has been greater? Certainly there is no place on the broad earth to which the Indianian can emigrate with a hope of bettering his present condition and prospects.

Within the short space of fifty years the population of Indiana has increased from sixty thousand to over two millions! Within the same period the valuation of personal and real property within the State has increased beyond all possibility of computation; great and prosperous commercial industries have been established, and the educational and benevolent institutions have become useful in shaping the destiny of other countries. It now becomes our pleasant duty to note this wonderful progress step by step.

The inhabitants of the new State first turned their attention to farming—to agricultural pursuits, which are still the leading industry of Indiana. New farms were opened, new settlements were founded, orchards were planted, log and frame school houses were erected, churches were built, towns and cities began to flourish, and battle for the leading position.

Thus was inaugurated that great era of prosperity which can only terminate in future greatness. Withal, a sense of security pervaded the minds of the people. The hostile Indians, as we have seen, had been humbled. Their power and pride had been broken, and the tomahawk no longer excited the fears of the pioneer settler of Indiana. The settlers dwelt in safety in their little, plain log cabins, and, actuated by a faith in that future prosperity which they have lived to enjoy, they cultivated their small fields without the aid of armed sentinels. The numerous forts and block houses which had once been made desolate by merciless slaughters, were now converted into storehouses, dwellings, or in some way made to serve the purpose of trade.

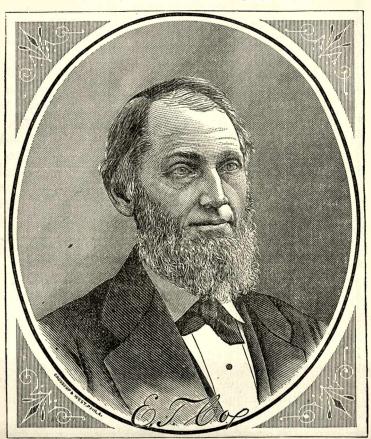
But it must not be supposed that this great prosperity has been attained without difficulty. Indiana has had her internal improvement troubles; her financial embarrassment; a currency panic; a commercial depression; her dark days; but these have all passed. They were unequal to the persistent energies of a free people.

In 1816-17, when the State was in its infancy, and the citizens were not wealthy, and when the number and value of the objects of taxation were miserably small, and the inexhaustable resources undeveloped, it was difficult to raise the revenue necessary for the support of the government. The burden upon landholders was indeed heavy; the funds for county purposes were derived mostly from a poll-tax, taxes on lands, town lots, horses, carriages, clocks, watches, and license venders of merchandise.

For State revenue purposes the taxable lands were divided into three classes, and taxed per hundred acres, as follows, for several years:

Years.	First Rate.	Second Rate.	Third Rate.
1817	\$1.00	\$0.871	\$0.50
1818	1.00	$0.87\frac{1}{2}$	0.621
1821	1.50	1.25	0.75
1824	1.50	1.00	0.75
1831	0.80	0.60	1.40

In his first annual message, Governor Jennings called attention to the need of greater educational facilities, the revision of the statutes, the organization of the judiciary, and the need of a law to prevent the carrying into bondage persons of color residing in the State and legally entitled to their



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freedom. He also urged the necessity of raising a revenue sufficient to meet the expenses of that year, and to liquidate the debt consequent upon the constitutional convention of the previous year. In this undertaking the government met with many difficulties. The objects of taxation were not numerous, and the great scarcity of money within the State, made it difficult for the collector to realize on the demands of the State upon the property assessed. This difficulty was urged upon the attention of the legislature, in 1818, when Governor Jennings remarked that in order to "enforce the payments of the revenue of the State, on the part of those charged with collections, it is recommended that all suits connected therewith be instituted in the Harrison Circuit Court, and that the appointment of an Attorney General be authorized by law, whose duty it shall be to prosecute thereon, and in the Supreme Court when the State may be a party."

During Governor Jennings' administration the subject of internal improvements was agitated. As early as 1818, in his message to the legislature, he used these words: "The internal improvement of the State forms a subject of the greatest importance and deserves the most serious attention. and canals are calculated to afford facilities to the commercial transactions connected with the exports and imports of the country, by lessening the expenses and time attendant, as well on the transportation of the bulky articles which compose our exports as on the importation of articles the growth and manufacture of foreign countries, which luxury and habit have rendered too common and almost indispensable to our consumption. They enhance the value of the soil, by affording the agriculturalist the means of deriving greater gain from its cultivation, with an equal proportion of labor, thereby presenting stronger inducements to industry and enterprise, and at the same time, by various excitements, invite to a more general intercourse between the citizens. * * * The success which has attended the exertions of the Jeffersonville and Ohio Canal Company affords the flattering prospect of a speedy commencement upon the great object for which the corporation was created, and presents still stronger claims upon the general assembly to aid its ultimate execution."

In November, 1821, Governor Jennings convened the legislature in extra session, to provide for the payment of the interest on the State debt, and a part of the principal, amounting to twenty thousand dollars. It was then believed that an

amount sufficient for these purposes would be realized by the State treasurer, in the notes of the State bank and its branches, and it was urged upon the legislature, by the Governor, that the public debt could be conscientiously discharged with these depreciated notes. In support of this view he said: "It will be oppressive if the State, after the paper of this institution was authorized to be circulated in revenue, should be prevented by any assignment of the evidences of the existing debt, from discharging at least so much of that debt with the paper of the bank, as will absorb the collections of the present year; especially, when their notes, after being made receivable by the agents of the State, because greatly depreciated by great mismanagement on the part of the bank itself. It ought not to be expected that a public loss to the State should be avoided by resorting to any measures which would not comport with correct views of public justice; nor should it be anticipated that the treasury of the United States would ultimately adopt measures to secure an uncertain debt, which would interfere with arrangements calculated to adjust the demand against the State, without producing any additional embarrassment."

The condition of public affairs that called for these sentiments from the Executive was not flattering. An assignment of the bonds executed in behalf of the State had been effected and the general credit of the State greatly embarrassed. State bank - a history of which will be found further on owing to bad management had depreciated the bank paper of the State, and injured the public credit. The means employed to produce this result are said to have been designed by unprincipled speculators. The Governor, in reference to this painful phase of the question, held that "whatever disposition the principal bank may have made of the funds deposited by the United States, it must be admitted that the connection of interest between the steam mill company and the bank, and the extraordinary accommodations, on account of the manner in which they were obtained, as well as their amount, effected by arrangements of the steam mill agency and some of the officers of the bank have been among the principal causes which have prostrated the paper circulating medium of this

State, so far as it was dependent on the State bank and its branches. And from the direction which for a time past has been given to the funds as well as to the credit of the State bank, it would seem as if it had been an object to produce depreciation of her own credit, as well as that of her branches, producing thereby, among other mischievous consequences, the means of direct gain to a certain portion of the community, equal to the loss which the innocent and disinterested holder of the paper inevitably sustains."

It is undoubtedly true that the panic of 1821, which cast a gloom over the infant industries of the State of Indiana, was in a great measure the result of dishonest speculation, as well as of an unwise financial policy. At all events the public affairs were in a very unsettled condition when Governor Jennings, at the summons of the popular voice, handed the government of the young State over to his successor, Hon William Hendricks.*

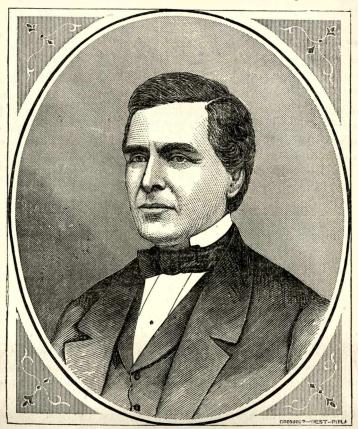
CHAPTER XIX.

ADMINISTRATION OF GOVERNOR WILLIAM HENDRICKS.

IN 1822, in his first message to the legislature, Governor Hendricks, notwithstanding the discouraging state of the public affairs, was disposed to regard every prospect full of promise for the new State. He regretted the unsettled condition of the pecuniary affairs of the State and citizens, but in a happy mood, congratulated the people upon "the agricultural and social happiness of the State." At no period in the previous history of the State had the productions of the soil been more abundant in the necessaries and comforts of life

^{*} Governor Jennings having been elected to Congress, in 1822, Lieutenant-Governor Boone was acting Governor of the State of Indiana for several months previous to the election of Governor Hendricks.

than during the year 1822. At this time emigration was affording the State considerable accessions to her population, and despite the financial troubles which engaged the attention of the legislature, the people who for the most part depended wholly upon agricultural products, were enjoying moderate



HON. WM. MITCHELL. See page 21.

prosperity. Nevertheless, the payment for the lands, the extensive consumption of European goods in Indiana, and the want of a market for the surplus produce, had placed the balance of trade largely against the people, and produced general and individual distress; but the subsequent develop-

ment of the resources of the State, the steady pursuit of agricul ture, the resort to domestic fabrics to the exclusion of foreign merchandise, combined to produce the most favorable results.

On the question of internal improvements, Governor Hendricks, in his first message to the legislature, said: "We ought to leave free and unshackled, as far as we can, our resources for improvement and purposes which the interests of the State may hereafter require, if not at our hands, at the hands of those who succeed us. * * * Let us not lose sight of those great objects to which the means of the State should, at some future day, be devoted—the navigation of the falls of the Ohio, the improvement of the Wabash, the White river, and other streams, and the construction of the National and other roads through the State."

Governor Hendrick's administration extended over a period from December 1822, to February 1825, during which the several industries of the State enjoyed considerable prosperity.

Although a complete history of the educational institutions of the State is given in other parts of this volume, it will not be improper to note, in this connection, the condition and prospects of the educational facilities of the State as they existed at the close of the administration of Governor Hendricks in 1825. By a grant of Congress, a section of land in each township in the State was invested in the inhabitants of such townships for the support of common schools; two entire townships were invested in the legislature for the use of a "State Seminary," and by a provision of the State constitution, all fines assessed for a breach of the penal laws, and all commutations for militia service, were appropriated to the use of the "County Seminaries." The common school lands were estimated, at this date, at six hundred and eighty thousand two hundred and seven acres, which, at two dollars an acre, (their value in 1825,) would produce a fund of one million two hundred and sixteen thousand four hundred and forty-four dollars. Such were the facilities for establishing common schools, viewed from the standpoint of 1825.

At this time the seminary at Bloomington, supported in part by one of these township grants, was in a flourishing con-

dition. Tuition was cheap, and "no pains were spared to make the institution respectable." But the common schools then existing in the youthful settlements of the State were in a poor condition.

CHAPTER XX.

ADMINISTRATION OF GOVERNOR RAY.

In the year 1826, the State of Indiana had already a history of State progress. The foundation for the magnificent public school system which the State now enjoys was being carefully laid. The State government had reached a better policy, and confidence in business circles was in a great measure restored. In short the State seems here to have reached a point when its inhabitants could look back over the events in its history, observe their results, and shape a policy consistent with the probable future demands of prosperity. The increase of population was made noticeable. At this date, 1825-6, the population exceeded 250,000 souls; in 1820, it was 147,178; in 1815, it was 68,780; in 1810, it was 24,000; in 1805, it was 11,000; and in 1800, the date of the organization of the territory, it was only 5,000. Thus the people could perceive the increase, during the twenty-five years of their history. Beginning in 1800, with but five thousand, and reaching, in the short space of twenty-five years, the respectable number of two hundred and fifty thousand, there was every reason to take courage.

Aside from the growth in population, this year afforded a view from another standpoint. The influence of national policy from without, and the prospective effects upon the future of the State, its commerce and agricultural pursuits, were to be seen and measured. For a long period previous to the war

of 1812, the continued struggle for power in Europe called immense numbers of their people from the plow to fill their armies. In consequence agriculture was neglected. Whole countries were overrun, and the people, as well as the armies, were in a measure compelled to look to the United States for a considerable portion of their subsistence. American produce found a ready market in every port in Europe, and the high prices which it commanded enabled the farmers in every part of the country to incur the expense of a tedious and difficult transportation, and yet to realize handsome profits. Nor was this prosperous state of affairs changed by the war of 1812, for in consequence of this war, large disbursements of public money were made by the general government in every part of the Union; consequent upon this came a general rage for speculation; numerous banks with fictitious capital were established; immense issues of paper were made, and the circulating medium of the country was increased four fold in the course of two or three years. It will not be difficult for the intelligent reader of the day to predict the consequences of all this. The great increase of what was then deemed equivalent to money was the cause of a corresponding increase equally as fictitious in the value of labor and every species of property; the established value of every thing was a deception, a species of fraud upon the world; money—the money of those days—was easily acquired, and the people too generally and too easily indulged in visionary dreams of wealth and splendor. But this state of things could not always last. The general pacification of the old world, and the consequent disbandment of their numerous armies again tenanted their long uncultivated fields; agriculture was so far encouraged that every nation on the continent produced an ample supply of the necessaries of life for their own consumption, and American produce could no longer find an extended market in that bemisphere. About the same time that peace was concluded in Europe, war was brought to a close in this country, and of course the extraordinary flow of money from the treasury of the United States was discontinued; the American army was reduced, and the newly created banks, no longer supported by

reckless speculation, began to fail. Specie disappeared, and the fictitious paper trash became worthless in the hands of the people. As a consequence wages and all kinds of property suffered an unprecedented depression in value, and the industry of the whole country was shocked. The evils and embarrass-



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ments of this sudden change were felt severely among the farmers of Indiana. Then followed the "dark days" of Indiana. Who that lived in the State at the time will ever forget the winter of 1821?

To find a remedy for this depression in trade began to engage

the attention of the people of Indiana, as well as those of the other States, in 1822–3, and many measures were adopted, all of which worked successfully in the long run, although many, for a time, were "eye-sores" to the people. In the first place the capital which was no longer needed in commercial enterprise was employed in manufacturing establishments. This not only gave employment to thousands whose services were hitherto valueless, but created a market for a great portion of the surplus produce of the farmers. This measure was completely successful in Indiana.

In addition to the establishment of factories, large portions of the dormant capital of the State and country which had been withdrawn from mercantile pursuits, now no longer profitable, was invested and circulated among the people in works of internal improvement. Some of these works were, as we shall see, for a time unsuccessful, yet it is now apparent that all worked out, in a measure, the ultimate prosperity of the State.

Such were the views which the people of Indiana were enabled to take of the past in 1825. In this year Governor Ray, in his message to the legislature, urged upon them the necessity of adopting that system of internal improvements which was not fully entered upon as a policy until 1836. He said: "On the construction of roads and canals, then, we must rely as the safest and most certain State policy to relieve our situation, place us among the first States in the Union, and change the cry of 'hard times' into an open acknowledgment * * * We must strike at the internal of contentedness. improvement of the State, or form our minds to remain poor and unacquainted with each other." In the following year he urged the same policy, and in 1829 he added: "This subject, (State internal improvement,) though more than once pressed upon the attention of the legislature, can never grow irksome, since it must be the source of the blessings of civilized life; to secure its benefits is a duty enjoined upon the legislature by the obligations of the social compact."

It was in the year 1825, and during the administration of Governor Ray, that the State of Indiana had the honor of welcoming the illustrious General Lafayette within its borders. The reception of this great friend of American and national liberty was extended by the Executive of Indiana in true and genuine republican simplicity; and that so many of the pioneers of the State had the honor to greet the presence of this illustrious veteran in the cause of our liberty and country, and to express to him as far as possible, their unutterable sentiments of gratitude and admiration, will ever be a source of the most greatful recollection.

On the important question of asylums, it was urged by the Executive in 1825, that radical changes should be made in the law for the support of the poor, and measures adopted "to provide by law for a general system of education, ascending in a regular gradation from township schools to a State university, wherein tuition shall be gratis, and equally open to all."

In 1826, Governor Ray expressed the sentiments of the people of Indiana when, in his message to the legislature he used this exciting language: "All that the most ardent could rationally wish for has fallen within the lap of the State. The history of other nations furnishes us with no parallel for our gigantic growth. 'A wonder among wonders,' our amazing young State, with each annual revolution of the earth, seems destined, by the force of circumstances and the energies of her people, to outstrip the geographer with all his sagacity; to develop some dormant treasure, and exhibit to public view some facinating projects eminently calculated to attach our citizens to their homes and country, and to enable us to look prospectively to the period when we shall be among the first in power, wealth, and respectability in the grand confederation of North American States." And in the year 1827, in the same official capacity, he added: "When we bring in review before us the successive currents of emigration which annually penetrate the deep recesses of the western forests; when we behold the generous efforts of the enlightened statesman and philanthropist for the establishment of primary and higher schools that education may be equal and universal; when we witness the enterprise and industry of the people, their moral ity and order, the conclusion follows that all the essential

elements are concentrating to prosecute and consummate the great design of the social compact." And again in 1828, Governor Ray reflects the steady flow of prosperity in his usual style: "Peace, plenty, and an increase of moral feeling have blessed our growing community; * * * and if a dense population is in any respect essential to the happiness of the people, or the prosperity of the State, the continuous influx of emigration which we are now experiencing without a parallel, augur the most auspicious to both."

It was in this year, 1828, that the disaffection of the Southern States first became a subject for executive or legislative attention in Indiana. In this year Governor Ray, little suspecting the terrible results that would grow out of the subject of his remarks, observed to the legislature: "Since our last separation, while we have witnessed with anxious solicitude the belligerent operations of another hemisphere, the cross contending against the cresent, and the prospect of a general rupture among the legitimates of other quarters of the globe, * * * our attention has been arrested by proceedings in our own country truly dangerous to liberty, if seriously premeditated, and disgraceful to its authors if agitated only to tamper with the American people. If such experiments as we see attempted in certain deluded quarters, do not fall with a burst of thunder upon the heads of their seditious projectors, then, indeed, the republic has begun to experience the days of its degeneracy. * * * The Union of these States is the people's only sure charter for their liberties and independence. Dissolve it and each State will soon be in a condition as deplorable as Alexandria's conquered countries after they were divided amongst his victorious military captains."

It should be borne in mind by the reader that this part of the history, extending from the organization of the State in 1816, to 1875, treating of the administrations of the various governors, is not supposed to include, as it advances, a history of the educational institutions, benevolent institutions, and settlements. These chapters are designed to cover merely a political and exceedingly condensed documentary history of the State, and the reader is directed to look elsewhere for a complete history and description of those special features and institutions of the State, as well as of the cities, towns and villages, all of which date their commencement in some one of these administrations, and receive only a passing notice in this connection. It is also desirable to state, in this place, that our political history is necessarily condensed in order that these special features of the State may receive the space which their importance demands.

CHAPTER XXI.

ADMINISTRATION OF GOVERNOR RAY, CONTINUED.

IN 1830 the current of emigration was still flowing into the State and spreading itself throughout the limits of the State and spreading itself throughout the limits of the territory, affording the surest indications of a continued growth and prosperity. These assurances were considerably supported by the great increase of agricultural productions, facilities for transportation, and increasing wealth, enterprise, intelligence, temperance and morality; and of the general and rapidly accumulating masses of the people. During these months, the people were daily cheered by witnessing from twenty to fifty wagons, containing families, moving through Indianapolis and other large towns, on their way to the valleys of the White and Wabash rivers. It was estimated that every day, during the year 1826, over thirty families settled in the State of Indiana. It is only from a contemplation of these facts that the reader can form any correct idea of the rapid growth of the State.

At no former period within the history of the State had the people enjoyed a more ample reward for the various agricultural products than in 1830. This market was created from many causes - principally from the wars existing at that time.

In the same year the farmer, the mechanic and the merchant of Indiana were excited by the "gigantic purpose of wedding the extremes of our vast country by one of the most approved



HON. PLINEY HOAGLAND. See page 21.

methods of conveyance"—a railroad, notably the "National, New York and Mississippi Railroad."

The "National Road," and the "Michigan and Ohio Turn-pike" were enterprises in which the people and legislature of

Indiana were deeply interested, in 1830. The latter had already been the cause of much bitter controversy, and its location was then the subject of contention.

In his message to the legislature, in 1830, Governor Ray, on the delicate question of excluding a certain class of colored people from the State, remarked: "A non-productive and, in many instances, a superanuated colored population, is pouring in upon us, possessing all the affirmative bad qualities of the uneducated, immoralized bondsman, without affording any of his advantages, living without visible means, or labor, most of whom are paupers on society. * * * While our laws and institutions proclaim the State an asylum for the good, virtuous and useful of all nations and colors, it is due to ourselves and to the rights of posterity that we should not tamely submit to any imposition which is the direct effect of foreign legislation. Though it might savor somewhat of injustice to interfere with any that are already here, it will still become your province, as it is your right, to regulate for the future, by prompt correctives, the emigration into the State, and the continuance of known paupers thrown upon us from any quarter."

In 1830 there were still two tribes of Indians living within the borders of Indiana, but their growing indolence, their intemperate habits, their primitive ignorance, their increasing dependence upon their neighbors for the bread of life, their diminished prospects of living by the chase, their perpetration of murders and other outrages of dangerous precedent, their unrestrained exhibitions of their own savage customs before the children of the settlers, combined to make them subjects for a more rigid government.

One of the features of interest in the history of Governor Ray's last term of office was the part taken by Indiana in the election of a President of the United States, which effected a

considerable change in the national policy.

In the same period the task of preparing a civil code of laws for the State was commenced. In 1830 a question of jurisdiction was presented for the consideration of the legislature. The trial and acquittal of William Rothwell, in Perry

county, on a charge of murder, gave rise to great dissatisfaction. The alleged crime was committed on the Ohio river, and it was successfully claimed by the counsel for the defendant that the State of Indiana had no jurisdiction over acts committed on that river. This defect in the laws was promptly adjusted.

It would appear that the legislature of Indiana was painfully backward in establishing an asylum for the poor. Governor Ray, in his last message to the legislature used these remarks: "Let the philanthropical but look at home for opportunities to display his pious benevolence, and his eye will recognize many a friendless, moneyless orphan child, whose soul only waits to be kindled into flame upon education's heavenly altar, that he may leave his rags and wretchedness behind him, and, wielding the sword of the hero, or the pen of the statesman, by the force of moral precept in the pulpit, or of eloquence at the bar, or in the senate, rise to the noblest summit of fame and become a pillar of support to his country - but without some aid is doomed to die unseen. * * Whilst our own unfortunate poor are sold in the public streets to the lowest bidder, many of whom have seen days that possessed them with the means and rank far above their purchasers, now compelled to feed upon the crumbs of a scanty meal, and to experience, after a life well spent, just as their sun is setting, their worst days, and even the degradation of mastery, and the separation of kindred ties - and while thousands of families are without the word of truth - and tens of thousands of youths, who must soon take the reins of this mighty Republic into their hands, are fast rising to maturity, without sufficient intelligence for the stupenduous business of self-government, we are admonished by everything sacred and dear to look first to the deranged concerns at home."

Governor James B. Ray served the people of the State of Indiana in the high and responsible position of Chief Magistrate of the State, from 1725 to 1831—a period of special prosperity—and in December of the latter year was succeeded by Hon. Noah Noble.

CHAPTER XXII.

ADMINISTRATION OF GOVERNOR NOBLE.

HON. NOAH NOBLE assumed the duties of the high office of Governor of Indiana, in December, 1831, in which capacity he served until the close of 1837.

In the year 1832 the farmers of Indiana were not crowned with usual success, nor was the partial failure in agriculture the only affliction with which the Indianians were visited during that year. Cholera came in a terrible march among the settlements along the Ohio, sweeping hundreds from time into eternity.

This term is also memorable on account of the Black Hawk War, which, raging in Illinois, sent its terrifying effects into the western borders of the State. Several war parties invaded the western settlements, causing a vast amount of alarm, and

a considerable degree of suffering.

During the first year of Governor Noble's administration the work of internal improvement was begun. In his message to the legislature, in 1832, the Governor remarked: "The agents of the State entrusted with the administration of the affairs of the canal, have, it is believed, faithfully discharged every duty enjoined by law. The Fund Commissioners during the last summer made a sale of canal stock, in the city of New York, to the amount of one hundred thousand dollars, at a premium of thirteen and one-quarter per cent., terms honorable to the character of the State and advantageous to the work. Having embarked in the undertaking, it is our imperious duty to maintain our credit, by the adoption of certain and efficient measures promptly to meet all our engagements."

In 1832 we find the Michigan Road in a state of progress. In that year fifty-four thousand dollars were spent for its



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See page 21.

improvement, and fifty-two thousand dollars realized from the sale of lands appropriated for its construction.

In May, 1832, the remainder of the Indianapolis donation belonging to the State, was valued by the commissioners selected for that purpose, and, in compliance with the direction of the legislature, it was offered at public sale, by the agent of the State. The sale amounted to upwards of thirteen thousand dollars, leaving unsold lots, at valuation, to the amount of about four thousand dollars. We learn from Governor Noble's message of 1832, that "at the suggestion of the architect who is to build the State house, with the concurrence of the commissioners, the block north of the State house square was reserved from sale, to await the determination of the legislature as to the propriety of adding it to the public ground, making it an oblong square, corresponding to the form of the edifice to be erected. The commissioners appointed to contract for the building of the State house and superintend its erection, have made an agreement with Mr. Town, the artist, whose plan was adopted by the legislature, by which he is to complete the building for fifty-eight thousand dollars. The work in all its parts is to be strictly conformable to the plans and specifications presented to the legislature, and in its construction, as regards ornament, neatness, strength and durability nothing is to be omitted. The whole is to be completed by November, 1837.

In 1831, a joint resolution of the legislature of Indiana, requesting an appropriation by Congress for the extinguishment of the Indian title to lands within the State, was forwarded to that body, and, in compliance with the request, the necessary provision was made. Three citizens were designated by the Secretary of War, to constitute a commission to carry into effect the object of the appropriation. It was considered an object of great importance to extinguish the title of the Miamis to their lands, at that time surrounded on all sides by American settlers, situated almost in the heart of the State, and immediately on the line of the canal, then under construction. The prompt and cheerful manner in which the chiefs of the tribe obeyed the summons to the treaty, induced the belief that the negotiation would prove successful; but in their response to the propositions of the commissioners, they

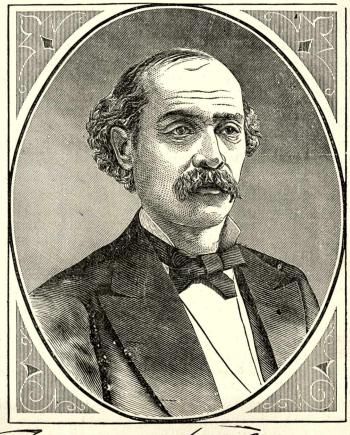
positively refused to go westward, or sell the remains of their lands.

The negotiation with the Pottawatomies was more successful. This tribe sold about six millions of acres in Indiana, Illinois and Michigan, including their entire claims in this State.

During Governor Noble's government the Wabash and Erie canal was commenced, and a portion completed. In 1832, thirty-two miles of this canal were placed under contract. During this year a communication was addressed to the Governor of Ohio, requesting him to call the attention of the legislature of that State to the subject of the extension of the canal, from the Indiana line through the territory of Ohio to the lake. In compliance with this request, Governor Lucas promptly laid the subject before the legislature of his State, and, in a spirit of courtesy, resolutions were adopted by that body, stipulating that if Ohio should ultimately decline to undertake the completion of that portion of the work within her limits, before the time fixed by the act of Congress for the completion of the canal, she would, on just and equitable terms, enable Indiana to avail herself of the benefit of the lands granted, by authorizing her to sell them and invest the proceeds in the stock of a company to be incorporated by Ohio; and that she would give Indiana notice of her final determination, on or before the first day of January, 1838. The legislature of Ohio also authorized and invited the agent of the State of Indiana to select, survey and set apart the lands lying within that State.

In 1834, Governor Noble, grasping at the system of public works that was adopted in 1836, of which he should be regarded, in a great degree, the author, remarked: "With a view of engaging in works of internal improvement, the propriety of adopting a general plan or system, having reference to the several portions of the State, and the connection of one with the other, naturally suggests itself. No work should be commenced but such as would be of acknowledged public utility, and when completed would form a branch of some general system. * * * In view of this object, the policy

of organizing a board of public works is again respectfully suggested." The attention of the legislature, in 1834, was also directed to the "praiseworthy and public spirited enter-



M. C. Melsone
See page 21.

prise of that portion of our citizens interested in the line of railway designated by the Lawrenceburg and Indianapolis charter."

In 1834 the Michigan boundary question, in which that State acted a very headstrong and reckless part, was first brought to light. Michigan, notwithstanding the approval by Congress of the constitutions of Indiana, Ohio and Illinois, in each of which their respective boundaries were clearly pointed out, claimed, as her southern boundary, an east and west line drawn through the southern extreme of Lake Michigan. In a recognition of this claim Indiana would have lost a district ten miles wide, extending entirely across the northern part of the State, including one of the fairest and most desirable portions of her territory, and have been entirely excluded from any access to the lake, except through a foreign jurisdiction. In addition to these considerations, there were other reasons why Indiana should have opposed the Michigan boundary claim. In the first place, the mouth of the Maumee river, and the termination of the Wabash and Eric canal, laid within the limits claimed by Michigan, and it was more than probable that Ohio would abandon co-operation in the work if the territory was transferred. Beyond this, Indiana would to a great extent lose the benefit of one of her greatest public improvements. This controversy continued until 1836, when Congress refused to acceed to the demands of Michigan, but, settled the question by extending her territory in the Lake Superior region.

In 1834, the State bank again commenced operations "under very favorable circumstances." The stock in all the branches authorized was subscribed by individuals, and the installment paid as required by the charter. The loan authorized for the payment on the stock allotted to the State, amounting to five hundred thousand dollars, was obtained at a premium of one and five-hundredths per cent. on five per cent. stock, making the sum of over five thousand dollars on the amount borrowed.

In December, 1835, the legislature of Indiana convened in the "New State Capitol," at Indianapolis, and on the occasion Governor Noble, in his message, remarked: "This is your first session in your new capitol, and from the conviction that the occasion will not fail to inspire feelings of exultation within you, I will not withhold, on my part, the offering of a hearty welcome and congratulation. It is an edifice worthy of the State, and, being dedicated to the public interests, within these walls the representatives of the people will annually assemble to perform some of the most important duties ever delegated to man. The people, through their representatives, will here speak their wishes, utter their complaints, and obtain redress for their wrongs." Forty years have passed since these sentiments were uttered by Governor Noble, and still "New (now old) State Capitol" is universally the scene of legislative activity.

During the year 1835 the work of public improvements was pushed forward. "The operations on the line of the Wabash and Eric canal," says the Governor's message, "have been conducted the past season with energy and great success. The middle division, extending from the St. Joseph dam to the forks of the Wabash, about thirty-two miles, has been completed, for about two hundred and thirty-two thousand dollars. including all repairs to this time. * * * Upon this portion of the line navigation was opened on the fourth of July, on which day our citizens assembled to witness the mingling of the waters of the St. Joseph with those of the Wabash, uniting the waters of the northern chain of lakes with those of the Gulf of Mexico in the south. On this division boats have been running, without the interruption of a day, since the letting in of the water." On other parts of the line the work progressed with speed, and the sale of canal lands was unusually active.

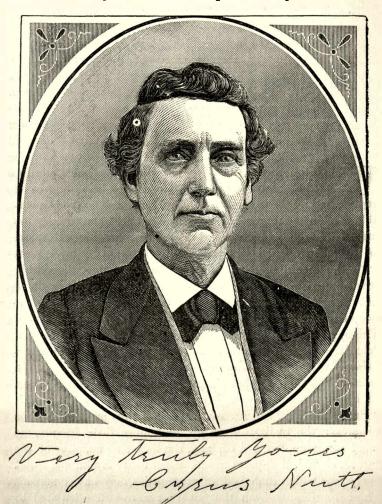
In 1836 we find that the State bank was "subserving all the valuable purposes for which it was established," agricultural products were abundant, and the market was good; consequently the people were in the full enjoyment of all the blessings of a free government and of an enlightened civilization. In this year the first meeting of the State Board of Internal Improvement was convened, and entered upon the discharge of its numerous and responsible duties. Having assigned to each member the direction and superintendence of a portion of the work, the next duty to be performed preparatory to an

enlarged sphere of active service, was that of procuring the requisite number of engineers. A delegation was sent to the eastern cities, but returned without engaging an engineer-inchief for the roads and railways, and without the desired number for the subordinate stations; but after considerable delay the Board was fully organized and put in operation.

During the year 1836 the public works, under the new management, were successful. The Wabash and Erie canal progressed steadily. The navigation of the middle division, from Fort Wayne to Huntington, was uninterrupted. miles of the line between Huntington and Lafontaine's creek were filled with water and made ready for navigation, and the remaining twenty miles were completed, with the exception of a portion of the locks. From Lafontaine's creek to Georgetown reasonable progress was made, several sections having been completed and received by the Board. The line from Georgetown to Lafayette was placed under contract. During the same year about thirty miles of the White Water canal extending from Lawrenceburg through the beautiful valley of the White Water, to Brookville, were also placed under contract, twenty-three miles of the Central canal, in the vicinity of and passing through Indianapolis, were placed under contract and work commenced upon it; about twenty miles of the southern division of this work, extending from Evansville into the interior, were also contracted for. On the line of the Cross-Cut canal, from Terre Haute to the intersection of the Central canal, near the mouth of Eel river, a commencement was also made on all the heavy sections.

Early in this year a party of engineers was organized, and directed to examine into the practicability of the then contemplated Michigan and Eric canal line. The result of its operations gave evidence of the expediency of the work. Soon after the organization of the Board of Internal Improvement, a party of engineers was fitted out and entered upon the field service of the Madison and Lafayette railroad, and in the same year contracts were made for the building of this road from Madison to Vernon, on which work was actively commenced. Contracts for grading and bridging the New

Albany and Vincennes road, from the former point to Paoli, about forty miles, were also let. Other roads were also undertaken and surveyed, and, in all respects, a stupenduous work



See page 21.

of internal improvement was undertaken. Truly did Governor Noble remark: "Upon the issue of the enterprise in which we are now engaged, our State has staked her fortunes. She has assumed a great responsibility, but one that is full of hope and of promise. * * * Our great system may be said to be fairly begun, and the State has embarked in a course of policy from which there is no retreat."

CHAPTER XXIII.

ADMINISTRATION OF GOVERNOR WALLACE.

WITH the opening of Governor David Wallace's administration murmurs of discontent were beginning to be audible among tax payers. In the estimation of a very respectable portion of the people, the State had undertaken entirely too much; that the very attempt to prosecute so great an enterprise as was contemplated by the Board of Internal Improvements with the means in possession or expectancy, must inevitably involve the State in debt from which it would be difficult, if not impossible, to extricate itself, and thereby entail upon the people the worst of all evils—oppressive and ruinous taxation. These predictions, coming from intelligent lips, were well calculated to chill the ardor and extinguish the spirit of enterprise in which these public improvements were conceived. In reference to this sad phase of public affairs, Governor Wallace, in his first annual message to the legislature in 1837, said: "But the astonishing success which has thus far attended our progress; the realization of all, and more than friends, the most sanguine, dreamed of; nay, the flattering auspices of the future, should, it appears to me, dispel every doubt, and quiet every fear which such boding prognostics may have created." These sentiments from the governor were well calculated to disguise the painful opinion which he himself possessed at this time, that the State would not be able to carry the load of public improvements with which she had burdened herself, unless the general depression of public and private enterprise

throughout the whole country should be speedily dispelled. But he was an ardent advocate of the measure; indeed it was the great theme of his administration, and he never lost his faith in its ultimate success.

But if the condition of the public works of Indiana were on the decline at the close of the year 1837, it was so in a more discouraging degree at the close of 1838. On the meeting of the legislature, on this occasion, Governor Wallace said: "Never before—I speak it advisedly—never before have you witnessed a period in our local history that more urgently called for the exercise of all the soundest and best attributes of grave and patriotic legislators than the present. The truth is—and it would be folly to conceal it—we have our hands full-full to overflowing! and therefore, to sustain ourselves, to preserve the credit and character of the State unimpaired, and to continue her hitherto unexampled march to wealth and distinction, we have not an hour of time, nor a dollar of money, nor a hand employed in labor, to squander and dissipate upon mere objects of idleness, or taste, or amusement."

The condition of the State at this time was truly critical. There had been borrowed by the State, for internal improvement purposes, three millions eight hundred and twenty-seven thousand dollars—one million three hundred and twenty-seven thousand for the Wabash and Eric canal, and the remaining two and a half millions for the benefit of other works. Upon the whole of this sum, with a very inconsiderable exception, the State paid an annual interest of five per cent., which of itself was an unbearable burden. To meet this demand the State had but two small sources, independent of taxation. These were, first, the interest arising from the balances due upon the sales of canal lands, and secondly, the proceeds of the third installment of the surplus revenue, both amounting, in 1838, to about forty-five thousand dollars. This was all the visible means with which the State had to pay the enormous sum of two hundred thousand dollars without resorting to direct taxation.

In 1838, the tribe of Pottawatomic Indians, according to a

treaty in which they had previously entered, were removed from Indiana to the western reservation. Some difficulty was experienced in their removal. Becoming hostile and refusing to emigrate, the militia was called out, and, under General Tipton, a force was marched to their villages. This induced them to leave without further opposition.

In the same year a treaty was concluded with the Miami Indians through the good offices of Colonel A. C. Pepper, the Indian agent, by which a considerable, and the most desirable portion of their reserve, was ceded to the United States.

CHAPTER XXIV.

ADMINISTRATION OF GOVERNOR SAMUEL BIGGER.

OVERNOR WALLACE was succeeded by Hon. Samuel J Bigger, in December, 1840. On this occasion the state of public affairs was in a very unpleasant condition. system of internal improvements adopted four years previous had not prospered as expected by its friends, and was at that time prostrated, and the government and people found themselves laboring under the complicated embarrassments of this disastrous result. They felt and expressed the most intense anxiety respecting the measures which should be adopted to effect their relief. The great question was now, "What shall be done with our public improvements?" The "system" embraced ten different works, of which the most important was the Wabash and Erie canal. Their aggregate length was one thousand one hundred and sixty miles. Of this length only one hundred and forty miles had been fully completed. The amount which had been expended on these various lines was something over \$5,600,000, and it required at least \$14,000,000 to complete them. In August, 1839, all work

ceased on these improvements with one or two exceptions, and most of the contracts were surrendered to the State. This course had been adopted under an act of the legislature providing for the compensation of contractors by the issue of



JUDGE C. Y. PATTERSON. See page 21.

treasury notes. In addition to this state of affairs, the legislature of 1839 had made no provision for the payment of interest on the State debt incurred for internal improvements. In reference to this unpleasant situation of the public works in 1840, Governor Bigger said: "Their prosecution, as origi-

nally contemplated, will not be seriously urged at this time by any one at all conversant with our condition and the extent of our liabilities. Such a course would be the extreme of folly. And on the other hand, their entire abandonment, with the utter loss of the large sums of money already expended, would scarcely be less ruinous in its consequences to our credit and ultimate prosperity."

Much individual indebtedness was created during the progress of the works of internal improvement. When operations ceased in 1839, and prices fell at the same time, the people were left, in a great measure, without the means of commanding money with which to pay their debts. This condition of private enterprise, which had been incurred by an unwise State policy, rendered direct taxation more than ever inexpedient. Hence it became the policy of Governor Bigger's administration to provide the means of paying the interest on the State debt without increasing the rate of taxation, and of continuing that portion of the public works that could be immediately completed, and from which the earliest returns could be expected.

The years of 1840-41, were two dark years in Indiana; nor was the prospect brightened with the commencement of 1842. In 1841 the farmer was abundantly rewarded in the pursuits of agriculture, which, to a considerable extent, lightened the burden of the whole people.

With the assembling of the legislature in 1841, the State had reached a crisis in its affairs which had been expected by many, but which many had expected to avoid. Indiana, until that year, had succeeded in paying the interest on her public debt, and at the previous session of the legislature ample provision was supposed to have been made for its payment, but circumstances beyond the control of the agents of the State rendered it impossible to obtain the necessary funds, and at this period the people were compelled to acknowledge the unwelcome truth that the credit of the State had not been sustained.

In this connection we shall briefly glance over those measures, the unfortunate issue of which involved the State in the difficulties to which we now refer.

In the year 1827, the State of Indiana obtained from the general government a grant of land to aid in the construction of the Wabash and Erie canal, with a view to connect the Wabash river with Lake Erie. A portion of this grant was surrendered to the State of Ohio, on the condition that she would construct the canal from the boundary of Indiana to the lake. This canal had been completed, ready for navigation from Lafayette, on the Wabash, to the eastern line of the State. This work was not generally regarded as a part of the system of internal improvements adopted in 1836.

In the month of January, 1836, the legislature of Indiana passed an act to provide for a general system of internal improvements, embracing a number of expensive works. The extent and condition of these works, including the Wabash and Erie canal, at the close of the year 1841, with the total

disbursement thereon, may be summed up as follows:

1. The Wabash and Eric canal, from the State line to Tippe-cance, one hundred and twenty-nine miles in length, completed and navigable for the whole length, at a total expenditure of \$2,041,012. This sum includes the cost of the steam boat lock afterwards completed at Delphi.

2. The extension of the Wabash and Erie canal from the mouth of the Tippecanoe to Terre Haute, over one hundred and four miles. The estimated cost of this work was \$1,500,000, and the amount expended for the same, up to 1841, was \$408,855. The navigation was at this period opened as far down as Lafayette, and a portion of the work performed in the vicinity of Covington.

3. The cross-cut canal from Terre Haute to central canal, forty-nine miles in length, estimated cost \$718,672—amount expended to 1841, \$420,679, and at this period no part of the

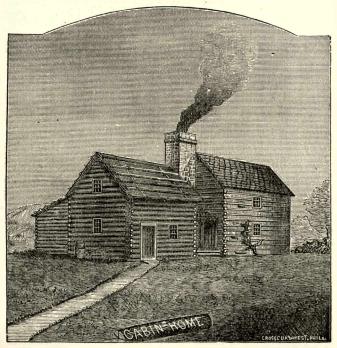
work was navigable.

4. The White Water canal, from Lawrenceburgh to the mouth of Nettle creek, seventy-six and a half miles—estimated cost \$1,675,738, amount expended to that date, \$1,099,867, and thirty-one miles of the work was navigable, extending from the Ohio river to Brookville.

5. The Central canal, from the Wabash and Erie canal, to

Indianapolis, including the feeder dam at Muncietown, one hundred and twenty-four miles in length—total estimated cost \$2,299,853, amount expended, \$568,046; eight miles completed at that date, and other portions nearly done.

6. Central canal, from Indianapolis to Evansville, on the Ohio river, one hundred and ninety-four miles in length, total estimated cost, \$3,532,394, amount expended \$831,302; nine-



BIRTH-PLACE OF JUDGE HORACE P. BIDDLE. See page 21.

teen miles of which was completed at that date, at the southern end, and sixteen miles extending south from Indianapolis were nearly completed.

7. Erie and Michigan canal, one hundred and eighty-two miles in length, estimated cost, \$2,624,823, amount expended, \$156,324. No part of this work was finished in 1841.

8. The Madison and Indianapolis railroad, over eighty-five

miles in length, total estimated cost, \$2,046,600, amount expended, \$1,493,013. Road finished and in operation for about twenty-eight miles; grading nearly finished, and twenty-seven miles in addition, extending to Edenburg.

9. Indianapolis and Lafayette turnpike road, seventy-three miles in length, total estimated cost, \$593,737, amount expended, \$72,182. The bridging and most of the grading



RESIDENCE OF JUDGE H. P. BIDDLE, LOGANSPORT. See page 21.

was done on twenty-seven miles from Crawfordsville to Lafayette.

10. New Albany and Vincennes turnpike road, one hundred and five miles in length, estimated cost, \$1,127,295, amount expended, \$654,411. In 1841, forty-one miles were graded and macadamized, extending from New Albany to Paoli, and twenty-seven miles in addition, partly graded.

- 11. Jeffersonville and Crawfordsville road, over one hundred and sixty-four miles long, total estimated cost, \$1,651,800, amount expended, \$372,737. Forty-five miles were partly graded and bridged, extending from Jeffersonville to Salem, and from Greencastle north.
- 12. Improvement of the Wabash rapids, undertaken jointly by Indiana and Illinois; estimated cost to Indiana, \$102,500, amount expended by Indiana, \$9,539.

There had also been paid to the Board of Internal Improvements, for instruments, etc., to date, \$36,564.

By summing up the foregoing, it will be seen that the whole length of these roads and canals was one thousand two hundred and eighty-nine miles, only two hundred and eighty-one of which had been finished in 1841. The estimated aggregate cost of all the works was \$19,914,424. The amount expended for all purposes, to that date, was \$8,164,528.

The State debt, at this time, amounted to \$18,469,146. reference to this condition of the public debt, as well as the means to be employed for reducing it, Governor Bigger, in 1841. remarked: "It is due to ourselves, in this state of our affairs, to examine into some of the prominent causes which have produced the present embarrassments. The first of these is doubtless to be found in the number of large and expensive works embraced in the system of internal improvements and their simultaneous prosecution. Also the unexpected increase in the prices of provisions, labor, and materials, was such that a sum much greater than the original estimate was required for the construction of the public works. Two great errors were committed in the progress of the system. The first was. paying the most of the interest out of the money borrowed. This subjected the State to the payment of compound interest, and the people, not feeling the pressure of taxes to discharge the interest, naturally became inattentive to the policy which was pursued. Had the legislature commenced by levying taxes to defray the interest as it accrued, its amount would have been a certain index to the sums expended on the works. This of itself would have done much to check extravagant

expenditures. The second error was selling bonds on credit," which led to the most disastrous consequences.

The administration of Governor Bigger closes in the most dissatisfactory manner, though probably from no fault of the governor, unless it may have been through a too sanguine co-operation in the internal improvement system. Both at home and abroad the State was held up in an unpleasant manner before the gaze of the world. "Indiana cannot pay the interest on her public debt!" was sounded in every State. But Indiana was not wanting in courage in this trying hour, as we shall see, nor was the energy of her people inadequate to the difficulties before them.

CHAPTER XXV.

ADMINISTRATION OF GOVERNOR WHITCOMB.

OVERNOR SAMUEL BIGGER was succeeded by Hon. James Whitcomb, in December, 1843. The latter assumed the duties of executive of the State under the embarrassing circumstances which we have been considering in the previous chapter, but he found himself ably qualified for the responsible duties of his office. "Our State," said he, to the legislature, in 1843, * * * "is experiencing the distress and embarrassment consequent upon a system of over-banking, and its natural progeny, over-trading and deceptive speculation. * * * The tendency of this state of things is to relax the hand of industry by creating false notions of wealth, and to tempt to sudden acquisitions by means as delusive in their results as they are contrary to a primary law of the Author of our being. * * * Our position, soil and climate, as well as the habits of our people, all point to that branch of labor which is devoted to agriculture as our chief reliance for lasting wealth and returning prosperity. This calling should rank with us the first in respectability, as it is unquestionably the first in importance."

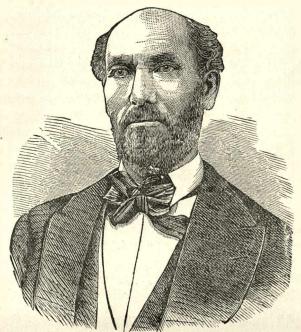
During the administration of Governor Whitcomb, the war with Mexico was thrust upon the United States and prosecuted to a glorious triumph in the acquisition of immense tracts of lands in the south and west. Indiana contributed her full ratio to the troops that were sent into the field, and in a spirit of singular promptness and patriotism, adopted all necessary measures to sustain the general government. These new acquisitions of territory opened for discussion the question of slavery, in which Governor Whitcomb expressed himself opposed to any further extension of the "National sin."

It is due to the memory of Governor Whitcomb to state that through the judicious operations of his government, the public credit of the State was redeemed. Measures of compromise between the State and its creditors were adopted by which, ultimately, the public works, although incomplete, were given in payment for the claims against the government. In this and other ways, the State was again placed upon respectable footing in the nation.

Governor Whitcomb was succeeded by Hon. Joseph A. Wright, in December, 1849, having faithfully discharged the important duties devolving upon the office, until called, in December, 1848, to represent the State of Indiana in the Senate of the United States. Lieutenant-Governor Paris C. Dunning was acting Governor from December, 1848, to the same month in 1849.

ADMINISTRATION OF GOVERNOR WRIGHT.

Governor Joseph A. Wright's administration was an eventful one. During its first year the State was called to mourn the decease of the President, Zachary Taylor, but at home Indiana had much upon which to congratulate herself. The public improvements were going forward with a giant progress, mainly through the united efforts of private capital and energy. The products of the soil were abundant, and the market was ample. At the close of 1850, the Governor, in his inaugural address, spoke of the public works in these words: "We are progressing rapidly with works of public improvement. In the past season we have completed four hundred miles of plank road, which have cost from twelve to fifteen hundred dollars per mile. There are some twelve



JOHN M. LOCKWOOD, ESQ. See page 21.

hundred miles additional surveyed and in progress. We have two hundred and twelve miles of railroad in successful operation, of which one hundred and twenty-four were completed the past year. There are more than one thousand miles of railway surveyed and in a state of progress."

In pursuance of a joint resolution of the legislature in 1850, a block of native marble was procured and forwarded to Washington, to be placed in the monument then in course of erec-

tion at the National capital, in memory of the immortal George Washington. Although the assembly of Indiana did not authorize any sentiment to be placed on the block, Governor Wright had the following words inscribed upon it: Indiana knows no North, no South, nothing but the Union! This motto was placed upon the Washington monument in 1850, and a little more than ten years after, the people of Indiana showed to the world how completely they entered into this sentiment by the sacrifice of blood and treasure in the cause of the Union.

Governor Wright endorsed the compromise measures enacted by Congress on the slavery question in 1850; and in closing his message of this year he remarked: "Indiana takes her stand in the ranks not of Southern destiny, nor yet of Northern Destiny. She plants herself on the basis of the constitution, and takes her stand in the ranks of AMERICAN DESTINY."

It was also during Governor Wright's fruitful administration that the State of Indiana started out fully upon the great mission of education. It was in 1852 that the township system was adopted, which has become a truly wonderful success—the boast of the State. The reader is referred to another part of this volume for a complete history of the superior educational advantages of Indiana.

It was also during Governor Wright's administration that the second constitutional convention was held, and a new constitution adopted. A general banking law was adopted in 1851. This gave a new impetus to the commerce of the State, and opened the way for a broader volume of general trade. This banking law, however, gave rise to many abuses. The currency was expanded, a delusive idea of wealth prevailed, and, as a consequence, much injurious speculation was indulged. In 1857 the charter of the State bank expired, and the large gains of the State in that institution were directed to the promotion of common school education.

Governor Joseph A. Wright was succeeded by Hon. Ashbel P. Willard, in January, 1857.

Ind. Governous

Emeline Fairbanks Mem. Library ADMINISTRATION OF GOVERNOR WILLARD. 225

ADMINISTRATION OF GOVERNOR WILLARD.

An extra session of the legislature was convened by Governor Willard in November, 1858. The constitution of 1852 provided only for biennial sessions of the legislature, and as the legislature of 1857 made no provision for raising a revenue for 1858-9, the necessity for the special session is obvious.

Governor Willard condenses a very complete history of the State bank in the following paragraph, which is taken from his message of 1859: "On the twenty-eighth of January, 1834, an act was approved establishing a State bank. Said act, by its terms, ceased to be a law on the first of January, 1857. Under this law the bank commenced and continued its operations as a corporation authorized to issue and circulate notes, discount paper, and transact all other ordinary banking business until the first of January, 1857. At that time its outstanding circulation was \$4,208,725, with a debt due to the institution principally from citizens of this State of \$6,095,368. Between the first of January, 1857, and 1859, the bank redeemed nearly its entire circulation, and provided amply for the redemption of that which has not been returned. She has collected from most of her debtors the money which they The State was interested in the bank. She invested in its stock \$1,390,000. The money to make the investment was procured by the issuing of five per cent. bonds, the last of which will be payable July first, 1866. The report of the commissioners shows that its nominal profits are \$2,780,604.36. By the law creating the Sinking Fund, that fund was appropriated, first, to pay the principal and interest upon the bonds; second, the expenses of the commissioners; and lastly, the cause of common school education."

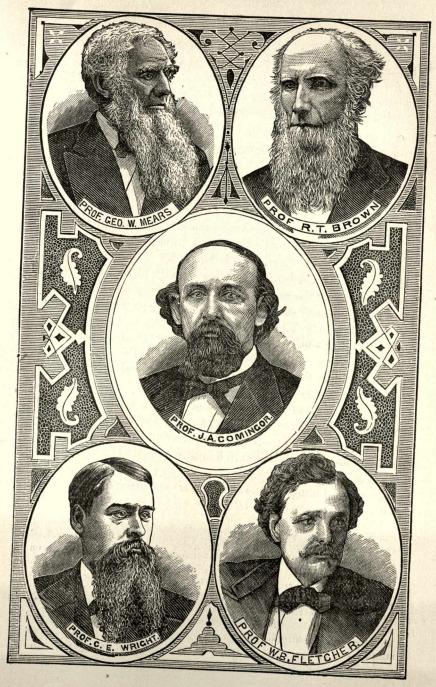
On the third day of October, 1860, before his term of office had expired, Governor Willard died at St. Paul, Minn. His remains were brought back to the State by his widow, accompanied by the Governor of Minnesota, Hon. Henry M. Rice, one of the United States Senators, and several distinguished citizens of that State. From this date the duties of the exec-

utive devolved upon the Lieutenant-Governor, Hon. A. A. Hammond.

In the same year the State suffered a severe loss to science in the death of David Dale Owen, the State geologist. Acting Governor Hammond, in closing his message to the legislature in January, 1861, referred to the approaching civil war in a spirit of patriotism, manifesting a strong belief that it would not be averted.

GOVERNOR MORTON'S ADMINISTRATION.

Governor O. P. Morton's administration, which commences 'with his election as Lieutenant-Governor, owing to the resignation of Governor Lane, brings us at once to a consideration of the war for the Union, in which he acted an honorable part. Almost immediately after his election to the important office, he issued his proclamation calling the legistature into extraordinary session. On this occasion he placed the position of the Southern States in a true light before the assembled representatives of the State, closing his remarks in the following language: "We have passed from the field of argument to the solemn fact of war which exists by the act of the seceding States. The issue is forced upon us, and must be accepted. Every man must take his position upon the one side or upon the other. In time of war there is no ground upon which a third party can stand. It is the imperative duty of all men to rally to the support of the government, and to expend in its behalf, if need be, their fortunes and their blood. Upon the preservation of this government depends our prosperity and greatness as a nation; our liberty and happiness as individuals. We should approach the contest not as politicians, nor as ambitious partizans, but as patriots, who cast aside every selfish consideration when danger threatens their country. The voice of party should be hushed, and the bitterness that may have sprung out of political contests be at once forgiven and forgotten. Let us rise above these paltry considerations and inaugurate the era when there shall be but



ratification of the proposed amendments; but the report of the majority was carried by a very decisive vote.

An act was passed dividing the State into eleven congressional districts, and apportioning the representation thereto; but the most important measure of the whole session, with the possible exception of the first referred to, was the passage of an act providing for the registry of votes, the punishment of fraudulent practices at elections, and for the apportionment and compensation of a board of registration. According to the measure, this board was to consist, in each township, of two freeholders appointed by the county commissioners, together with the township trustee of such township; in cities the freeholders were to be appointed in each ward by the city council. The members, by this act, are required to file with the auditor of the county, or with the city clerk, in cities, an oath to support the constitution, etc. Twenty days' residence in a township, city or ward, was required to qualify any person to vote therein. The penalty provided, by this measure, for offenses of false registration, or fraudulent personation of registered persons, is imprisonment in the State prison for a period not less than one year, for each and every offense. In all its phases the measure was very strict, and well calculated to secure honest elections. Its aim in this respect has been effective. No State can present a cleaner political record, since this law was enacted (and even from the earliest history of the State,) than Indiana. The two concluding sections of the law are;

Sec. 23. All ballots which may be cast at any election hereafter held in this State, shall be written or printed on plain white paper, without any distinguishing marks or embellishments thereon, except the name of the candidates and the office for which they are voted for; and inspectors of election shall refuse all ballots offered of any other description, provided nothing herein shall disqualify the voter from writing his own name on the back thereof.

Sec. 24. That whereas frauds have been practiced upon the ballot-oox—to prevent the same and to secure to the people of this State a fair expression of their wishes at all elections at the earliest practicable time—an emergency is hereby declared to exist, and this act is declared to be in force from and after its passage.

During the same session a law was passed that created con

siderable discussion. It provided for the protection and indemnity of all officers and soldiers of the United States and soldiers of the Indiana Legion, for acts done in the "military service of the United States, and in the military service of the State, and in enforcing the laws and preserving the peace of the country." We annex the leading features of this law:

Sec. 2. That in all suits and actions, civil or criminal, against individuals, arising out of acts done by officers or soldiers of the United States, or of the militia of the State of Indiana, in the preservation of order and the suppression of the late rebellion, or in making any arrest, taking or entering upon any property, or in holding or detaining any person or property, it shall be a full defense to prove that the acts done or committed, and for which suit is brought, were done or committed under orders, either written or oral, from any military officer.

SEC. 5. In all actions for libel or slander for imputing the crime of treason to the plaintiff, during the late rebellion, it shall be a full defense to prove that the party complaining was a member of, or affiliated with, any society or organization, other than as a political party, in sympathy with the rebellion, and in any case where, for technical reasons, a full defense cannot be made according to the provision of this act, the measure of damages, in case of recovery, shall be five dollars, and no more, without costs.

It was at this session of the legislature that an act was passed making definite appropriations to the several benevolent institutions of the State. Several measures were also adopted for the encouragement of education, and charities. First of these was for the establishment of the Soldiers' Home. the corner stone of which was laid on the fourth of July, 1867. The second was for the establishment of a State Normal School, located at Terre Haute, and, to-day, one of the finest institutions of the kind in the west. The erection of suitable buildings for this school was undertaken early in 1867, and the corner stone was laid in August, with interesting and appropriate ceremonies. The original building cost over one hundred and fifty thousand dollars. The legislature also graciously provided for the establishment of a House of Refuge for the correction and reformation of juvenile offenders. According to the law, children under eighteen years of age may be sentenced, upon regular trial, to this Home, instead of being sent to the State prison or county jail. The institution

was admirably established on the plan of an industrial school. Children sent to the House of Refuge by a regular court, are supported by the State, and the county from which they are sent, equally. When sent by the parent or guardian, such person or persons, if able, must defray the expense. This school, or prison, is located near Plainfield, in Hendricks county, and was ready for the reception of the wayward in January, 1868.

After a successful session of sixty days, the legislature adjourned on the eleventh of March, 1867. During the session the question of the agricultural college—now the "Purdue University," at La Fayette—was discussed, but not disposed of. The financial condition of the State on the thirty-first of October, 1867, the close of that fiscal year, is shown by the following statistics, extracted from the Auditor's report for that year:

RECEIPTS.					
General revenue tax\$1,243,013	75				
School tax 811,632	19				
Sinking fund tax	39				
Library tax	15				
Total\$3,015,720	48				
EXPENDITURES.					
Ordinary\$ 441,850	50				
For benevolent institutions					
Redemption of stock, interest, etc 1,671,904	01				
Military expenses	07				
School fund, to counties	00				
Balance on hand Nov. 1st, 1866 381,521	89				
Receipts during the year 4,210,336	44				
Total\$4,591,858	33				

In that year the total revenue of the common school fund amounted to \$1,336,762, which was without a parallel in the United States. The principal of the fund is over ten million dollars, and can never be reduced or reverted from its proper channel.

CHAPTER XXVIII.

GOVERNOR BAKER'S ADMINISTRATION — EVENTS OF 1868.

POLITICALLY Indiana took the lead in the memorable campaign of 1868. Both parties held conventions early in the year, setting forth the principles on which they proposed to conduct the canvass, before any other State became actively interested. The Democrats nominated Thomas A. Hendricks for Governor, Alfred P. Edgerton for Lieutenant-Governor, and R. C. Kise for Secretary of State. The resolutions constituting the platform denounced the reconstruction policy of the Republicans, recommended the substitution of United States notes in lieu of the national bank currency, denied the right of the General Government to interfere with the question of suffrage in any of the States, and opposed negro suffrage, etc.

The Republican convention nominated Conrad Baker for Governor, William Cumback for Lieutenant-Governor, and Max T. A. Hoffman for Secretary of State. The platform adopted endorsed the policy of the party in strong terms, defending the plan of reconstruction, and opposing a further contraction of the currency, etc.

The canvass was very excited, and resulted in the election of Conrad Baker for Governor, by a majority of nine hundred and sixty-one votes. The presidential election followed soon after, in which the State polled 343,532 votes, of which 176,552 were for Grant, and 166,980 for Seymour, giving the Republican Board of Electors a majority of 9,572.

At the close of the fiscal year the State debt was \$7,195,-085.94. Over three and a quarter millions of this amount consisted of balances of old debts, incurred for internal improvements, of which we have spoken at length in previous chapters. These debts had been adjusted by what is known as the "Butler Bill," in 1846-7, at which time five per cent. certificates of stock were issued to the creditors of the State. Over three and a half millions of this debt, as reported in 1868, were represented by non-negotiable bonds, held by the State school fund, for money borrowed therefrom to redeem a portion of the certificates issued to help the State out of its financial difficulty in 1846-7. The balance of the State debt consisted of six per cent. bonds, issued in 1861, for war purposes, and bonds held by the Vincennes University.

In 1868, the State of Indiana was energetically engaged in prosecuting claims on the General Government on account of expenses incurred in the civil war, to the amount of about three millions and a half. The State appointed an agent to prosecute the claims, and during the year \$1,958,917.94 were allowed.

During the previous year the legislature had appointed commissioners to hear and consider claims against the State for losses sustained by the "Morgan raid." A report was submitted by the commissioners, in 1868, showing that \$413,599.48 had been allowed to persons suffering loss of property from the raid.

It was during the year 1868 that Governor Baker, pursuant to the act of the legislature of the previous year, obtained a a site for the then proposed House of Refuge. He purchased one hundred and twenty-one acres of land, near Plainfield, Hendricks county, and expended about forty thousand dollars in improvements thereon. As to other benevolent institutions, "the Soldiers' and Seamen's Home, near Knightstown, originally established by private enterprise and benevolence, and adopted by the legislature in 1867," was in a good condition. Up to that date the institution had afforded relief and temporary subsistence to four hundred men who were disabled in the civil war. A substantial brick building had been built for the Home, while the old buildings were used for an orphan's department, in which were gathered eighty-six children of deceased soldiers.

During this year, 1868, a feeling began to be prevalent in the State, that the processes of law in relation to criminal proceedings were neither prompt nor sure for the punishment of crime. It appeared to be easy, by means of affidavits, no matter how false, to obtain numerous continuances and changes



See page 21.

of venue, and in that way delaying, and injuring confidence in the administration of the penal laws. In consequence of this fact "Lynch Law" became of too frequent occurrence in the State. A remarkable case of this kind occurred in 1868, in the case of several robbers of express cars on railroads in

Indiana. "A gang of these desperadoes had operated for many months in the southern counties, and on the twenty-second of May an extensive robbery was committed on the Jeffersonville road, upon a car belonging to the Adams Express Company. Though the perpetrators of the robbery were soon afterwards arrested, and kept for several weeks in custody in the city of Cincinnati, Ohio, on the twentieth of July they were put on board a train of cars to be taken to the county of Jackson, in this State, for trial. An armed body of so-called Vigilance Committee of Seymour county, laid in wait for the train, and stopped the cars by hoisting a red signal on the road. They then proceeded to seize the prisoners, and after extorting a confession from them, hanged them without the form of a trial."*

Almost immediately following this outrage, they published, and widely circulated, the following proclamation, which, together with the demonstrations of "Lynch Law" referred to, created no little excitement and comment in the State and Nation:

ATTENTION, THIEVES!

The attention of all thieves, robbers, assassins and vagrants, together with their aiders, abetters and sympathizers, is called to the doings of the Seymour Vigilance Committee last night. We are determined to follow this up until all of the classes above named, whether imported or to the "manor born," are driven forever from our midst. Threats have been made of retaliation in case we should resort to capital punishment. In answer we say, "should one of our committee be harmed, or a dollar's worth of any honest man's property destroyed by persons unknown, we will swing by the neck until they be dead, every thieving character we can lay our hands on, without inquiry whether we have the persons who committed that particular crime or not. This applies not only to Seymour, but along the line of the two roads, and wherever our organization exists. Law and order must prevail.

BY ORDER OF THE COMMITTEE.

Seymour, Ind., July 21, 1868.

In the following October four others of the railroad robbers were arrested in Canada, and taken to New Albany and there confined in prison, and on the night of the twelfth of December, the Seymour Vigilance Committee, to the number of

^{*} Annual Cyclopedia.

seventy-five men, all armed and disguised, entered that city, and forcibly took the keys of the jail from the sheriff, and proceeded to hang the ruflians in the corridors of the prison.

CHAPTER XXIX.

GOVERNOR BAKER'S ADMINISTRATION - EVENTS OF 1869.

EVERY person in Indiana who has taken any interest in the recent political history of the State, will remember the "Fifteenth Amendment lock" in the legislature in 1869. The regular session commenced in January, and after listening to the Governor's somewhat lengthy message, the members proceeded to business, but accomplished very little. An attempt was made to alter the constitution of the State courts, but the Amendment question interfered, and the assembly adjourned prematurely, in March, without transacting any business of importance. During the short session serious complaints were made against the management of the State prisons, and nearly the whole of the two months' session was occupied in investigating the conduct of prison, and other officials.

Party spirit was at a very high pitch, owing partly to the necessity of electing a United States senator to succeed Thomas A. Hendricks. The Democrats were strongly united on Mr. Hendricks, and the Republicans were somewhat divided between Will Cumback and James S. Frazer. The joint convention of the two houses occupied nearly the whole of three days, and finally elected Daniel D. Pratt.

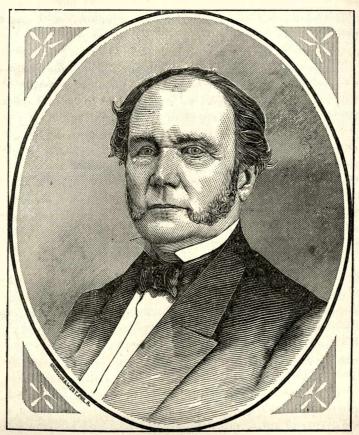
The Fifteenth Amendment came before the legislature, and the Democrats, as well as a portion of the conservative Republicans, opposed its consideration strongly, on the ground that it would be unfair to vote on the question until the people of the State had had an opportunity of expressing their views at the polls. The Republican members, however, resolved, in caucus, to force the ratification through the legislature, while, on the other hand, the Democratic members, in caucus, resolved to resign in a body, and all did so except those who were ordered by the caucus to remain and protect the interests of the party. Accordingly, on the fourth of March, seventeen senators and thirty-six representatives resigned, destroying a quorum in both houses, which stopped legislation.

The rupture left the benevolent institutions of the State unprovided for, as no appropriation bills had been passed. The Governor at once issued writs for special elections of members of the legislature to fill the vacancies made by this wholesale resignation, and on the twenty-second of March issued a proclamation convening the legislature in special session, summoning the members to meet on the eighth of April. On the day appointed the members appeared, but the Democrats, before submitting to the oath of office, compelled a majority of the Republican members to agree that the consideration of the Fifteenth Amendment should not be taken up until after the legislation needed for the general welfare of the State had been disposed of.

At this extra session the legislature passed an act introduc ing the study of the German language in the course of study in the public schools; also a measure establishing a female prison and reformatory institution for girls and women, at Indianapolis, to which all female convicts should be sent, instead of to the State prison. This legislation was among the good phases of the political year, as also that locating the Agricultural College at La Fayette, in consideration of the gift of \$100,000, cash, by Hon. John Purdue, of that place. This philanthropic gentleman has added \$50,000 to the first sum given, and, we understand from his own lips, contemplates enlarging this very considerably. The institution has been, appropriately, given his name, and is now known as the Purdue University. It is in a flourishing condition, and promises to win new laurels for the State's educational reputation.

On the nineteenth of May, during the extra session of the

legislature, the Fifteenth Amendment was again introduced, but, as all the Democratic members, in anticipation of this, had presented their resignations to the Governor, it was claimed that there was not a quorum present. In the senate, however, there was a quorum, and although many of the mem-



GEORGE W. WOOD, ESQ. See page 21.

bers refused to vote, and declared that they were no longer senators, the president of that body decided that as he had not been informed of their resignation, by the Governor, they were still members. A vote was taken and the resolution was adopted. Soon after the joint resolution came up in the house, and although the Democratic members had resigned, leaving no quorum, the chair decided that there was a quorum of the defacto members present, and the resolution was put and the Amendment ratified. The decision of the chair was afterwards substantially sustained by the Supreme Court.

During the session the election laws were so modified as to have elections held biennially instead of annually, the first election under the new law to be held in October, 1874.

The general progress in the State institutions of all kinds was marked with good results. The Hospital for the Insane was enlarged in 1869, and so improved as to become one of the most complete institutions of the kind in the State.

In 1869, the development of mineral resources in the State attracted considerable attention. Rich mines of iron and coal were discovered, as also fine quarries of building stone. line of the Vincennes railroad passed through some of the richest portions of the mineral region — its quality of richness having been accurately determined by the engineers of the road. Some of the mineral resources of the State, as viewed in 1869, are noted as follows: "Near Brooklyn, about twenty miles from Indianapolis, is a fine formation of sand-stone. is being used extensively in buildings in Indianapolis, and is considered the best building stone in the State. The limestone formation at Gosport, and continuing for twelve miles from that point, is of great variety, and includes the finest building material in the world. Portions of it are susceptible only to the chisel; other portions are soft, and can be worked with the ordinary tools. It is said to be the most durable building material in the world. At the terminus of this limestone formation a sandstone formation commences and extends a distance of seven miles, to a point about sixty miles from Indianapolis, when an extensive coal bed is reached, consisting of seven distinct veins. The first is about two feet in thickness, the next three feet, another four feet, and the others of various thicknesses. These beds are all easily worked, having a natural drain, and are already yielding heavy profits to enterprising companies.

We make this mention of the mineral resources of the State in connection with the events of 1869, partly because they were first brought to the notice of the public in that year, prominently, for the first time; but in another part of this work will be found a chapter devoted exclusively to this subject.

On the first of October, at the trial of the machinery at the State fair, a steam boiler exploded, killing twenty persons and seriously wounding more than forty others. The accident was caused by a deficiency of water.

In 1869 a woman's State suffrage convention was held, at Indianapolis, which was quite largely attended, and at which resolutions were adopted favoring more rights to women.

The principal agricultural products of the State, according to the official report for the year 1869, were:

4		,	
Products.	Bushels.	Acres.	Value.
Indian Corn	73,000,000	3,146,551	\$51,100,000
Wheat	20,600,000	1,430,555	19,158,000
Rye	575,000	37,096	437,000
Oats	12,413.000	420,779	5,461,720
Barley	411,000	17,947	423,330
Buckwheat		24,240	251,490
Potatoes		44,811	2,090,000
Tobacco, lbs	7,000,000	9,575	672,000
Hay, tons		805,369	12,624,000
Total	. Felling	5,936,923	\$92,217,540

CHAPTER XXX.

ADMINISTRATION OF GOVERNOR BAKER — EVENTS OF 1870-1.

THERE was no session of the legislature in 1870, and no election of Governor, therefore the political campaign of that year was not a very important one. There was no impor-

tant issue in the canvass except that of general retrenchment. The subject of the Wabash and Erie canal was lightly touched in the Republican platform, and occasioned considerable discussion, and probably had some effect on the election of members of the legislature. An attempt was made during the session of the legislature in 1869, to have the State reburden itself with the old canal debt, and the matter was considerably agitated in the canvass of 1870. The election resulted in an average majority for the Democracy of about two thousand eight hundred and sixty-four, in the State.

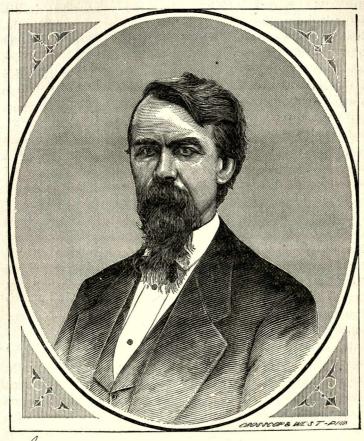
It was in this year, 1870, that the divorce laws of the State began to attract considerable attention in the nation. They were pronounced injurious to society, and, in 1871, the Governor, in his message, recommended reform in this direction, which was pretty effectually carried out.

With the commencement of 1871 the condition of the State was in every respect prosperous, financially and commercially. At the beginning of the fiscal year, which closed on the thirty-first of October, 1871, there was a surplus of \$373,249 in the treasury. The receipts of the year amounted to \$3,605,639, and the disbursements to \$2,943,600, leaving a balance of \$1,035,288. The total debt of the State in November, 1871, was \$3,937,821.

The session of the legislature which began on the fourth of January, 1871, presented a singular contrast with that of the previous one. As we have seen, a large number of Democratic senators and representatives resigned to prevent the ratification of the Fifteenth Amendment to the Federal constitution. On this occasion we have an equal number of Republican members resigning to prevent the repeal of that ratification. The resolution was adopted in the senate by a party vote of twenty-six to twenty, and in the house was referred to the committee on Federal relations; but before the committee had time to report the thirty-four Republican members of the house resigned, thereby preventing its passage, and putting a stop to further legislation.

At this session of the legislature one seat in the senate was contested; that of John W. Burson, a Republican, chosen from

the district made up of the counties of Delaware and Madison. He was charged with making use of bribery to secure his



I am newy kny Yours Mil Cumback election The case excited a great deal of remark, both in this and other States, and was thoroughly investigated by the committee on elections. A report was signed by a majority of the committee, just before the close of the session, which declared that Mr. Burson "did both offer and give bribes, and rewards to procure his election," and recommended the passage of a resolution refusing to grant him his seat, and that the same be declared vacant. The report was adopted by a strict party vote of twenty-four to twenty-one.

The controversy regarding the purchase of the Wabash and Eric canal was taken up at the session in 1871, and after a long and bitter debate, was finally disposed of by the adoption of an amendment to the constitution, making it impossible for the legislature to burden the State with any part of the old internal improvement debt, which had been disposed of by the "Butler bill."

The right of suffrage to women was ably discussed by the legislature, and disposed of adversely to the interests of the women interested. Among the important laws passed was one fixing the compensation of State and county officers, and cutting off all fees and allowances; one distributing six hundred thousand dollars to the several counties of the State, to be loaned out for the benefit of schools, and one reducing the State taxes. The latter was, however, pronounced unconstitutional by the circuit court of Marion county, and an action was brought to restrain the Auditor, Secretary of State and Treasurer from making the distribution. The matter was taken to the Supreme Court.

The Supreme Court of the State rendered a very important decision in April, 1871, viz.: that the law authorizing counties to subscribe for stock in railroad companies, and tax the people to pay for it, was valid. It had been claimed that the legislature had no authority under the constitution to tax the people for the purpose of aiding in the construction of railroads, but the Supreme Court decided adversely to this claim.

During the year 1871 there was no general election in Indiana, consequently political matters were very dull; but with the commencement of 1872, politics began to revive. On the

twenty-second of February the Republican State convention was held at Indianapolis. The State ticket nominated was as follows: For Governor, General Thomas M. Browne; Lieutenant-Governor, L. M. Sexton; Congressman-at-large, G. S. Orth; Secretary of State, W. W. Curry; Auditor of State, Colonel James A. Wildman; Treasurer of State, Major John D. Glover, etc.

The Democratic convention was held at Indianapolis, on the twelfth of June, when the following were nominated for State officers: For Governor, Thomas A. Hendricks; Lieutenant-Governor, W. C. Depauw; Congressman-at-large, John S. Williams, M. C. Kerr; Secretary of State, Owen W. Eddy; Auditor of State, John B. Stoll, etc. There was also a State temperance ticket in the field. The election took place on the eighth of October, 1872. Thomas A. Hendricks was elected Governor, and M. B. Hopkins, Superintendent of Public Instruction, from the Democratic ticket. With these two important exceptions, the Republicans were successful. The State legislature for 1873 contained twenty-seven Republicans and twenty-three Democrats in the senate, and fifty-four Republicans and forty-six Democrats in the house, giving the Republicans a majority on joint ballot of twelve.

A special session of the legislature was convened at the capital, on the fourteenth of November, 1872, at which considerable business was transacted. O. P. Morton was re-elected to the Senate of the United States, and the State was re-districted for both legislative and congressional representation. The measure re-districting the State gave great dissatisfaction to the Democratic members. Among other bills passed, was one raising the Governor's salary to eight thousand dollars a year.

apportionment based upon population and contiguity of counties would give. Representative reform rests upon the proposition that minorities of constituencies should have a representation as nearly in proportion to members as may be practicable. All the citizens contribute to the burdens of government, and should yield obedience to the laws, and it is just, equal and fair that all should be represented."

just, equal and fair that all should be represented."

Among the important acts of the session were the following:
One abolishing the courts of Common Pleas, and dividing the
State into thirty-eight judicial districts for judicial purposes;
one remodeling the divorce laws; one amending the school
laws, and one regulating the sale of liquors.

The following are the only causes upon which divorces can be granted under the new law: 1st. Adultery. 2nd Impotency, existing at time of marriage. 3rd. Abandonment for two years. 4th. Cruel and inhuman treatment of one party by the other. 5th. Habitual drunkenness of either party, or the failure of the husband to make reasonable provision for the family. 6th. The failure of the husband to make reasonable provision for the family for a period of two years. 7th. The conviction, in any county, of either party, of an infamous crime.

The new liquor law provides that it shall be unlawful for any person, under penalty from ten dollars to fifty dollars fine, or from ten to thirty days imprisonment, to sell, barter or give away intoxicating liquors, to be drank on the premises, without a permit from the county commissioners, and even when the permit is so procured, the law is definite as to how the traffic shall be regulated, and is very stringent. A case of violation of this law was soon carried to the Supreme Court, to test its validity, and it was sustained in all points.

There was a very enthusiastic temperance convention held at Indianapolis, in April, 1873, at which a long list of stirring resolutions were adopted; and, in one way and another, during the fall of that year and the early part of 1874, the temperance question was agitated with greater enthusiasm than it had been for years before. The "crusade" prevailed throughout Indiana, as well as in other States, but, unfortunately, at the

election in 1874, the temperance projects were defeated, and the liquor law alluded to above, approved February 27, 1873, and known as the "Baxter law" or "local option law," was supplanted by the general license act approved March 17, 1875, which repealed all former enactments regulating the sale of intoxicating liquors.

The total receipts during the fiscal year of 1876 were \$4,570,943.71. The disbursements for the year amounted to \$3,993,777.97, and there was a balance on hand at the close of the year of \$577,165.74.

The second annual meeting of the Congress of Agriculture was held at Indianapolis on the twenty-eighth of May, 1873; about two hundred delegates were present, representing twenty-five States. The proceedings of this body were very interesting to the public and beneficial to the cause of husbandry. The committee on transportation submitted a very lengthy report, which called forth considerable remark.

The question of building a new State House was seriously considered by the Legislature of 1875, but no definite steps were taken in that direction. This was reserved for the next Legislature, and the act creating a State House Commission will be found under the administration of Governor Williams.

The administration of Governor Hendricks expired January 4, 1877. In his last message to the Legislature convened at same date, he gave a clear statement of the financial condition of the State, and of the management of its various State institutions and offices. In this message he recommended that steps be taken for the construction of a new State House, and took occasion to repeat what he had said to the Legislature of 1875, viz.: "It can hardly be questioned that a new State House should be built. This house is neither suitable nor safe for the transaction of the public business. It does not correspond with the greatness of the State. It is not creditable. No other State in the Northwest has such a house. The halls are not fit for your sessions. Your constituents, when they visit the city, can neither see nor hear your proceedings. They are much better provided for in your court

houses. You have no suitable committee rooms. You are dependent upon rented rooms over the city. You are thereby hindered in that personal consultation among yourselves which is so important in legislation. The people do not desire this. But they will expect you to avoid that prevalent fault in public buildings of extravagant ornaments. The building should be plain, tasteful, substantial and permanent, adapted to its purposes, and sufficient for the growing demands of the public service. Several years will be required in its construction, and a small special tax annually will be sufficient."

He also repeated a portion of his message to the preceding Legislature relative to the Centennial Exposition, in which he said: "The act of Congress has committed our country and the people to the celebration. A failure would cause us national humiliation. Success will gratify our national pride and at the same time promote our prosperity by attracting the the people and wealth of other countries. I recommend that you make such provision as will secure to the people of Indiana and their interests a full and advantageous representation."

Among other recommendations in his closing message he called the special attention of the Legislature to the laws regulating our elections, and suggested several salutary provisions that he deemed essential to an efficient system. Before the expiration of his official term Governor Hendricks received the nomination for the Vice Presidency of the United States on the ticket with Samuel J. Tilden as President, from the Democratic National Convention of St. Louis. On this subject see biography of Governor Hendricks in another part of this work.

CHAPTER XXXII.

ADMINISTRATION OF GOVERNOR WILLIAMS—EVENTS OF 1878—THE RAILROAD STRIKE.

THE fiftieth regular session of the Legislature began on Thursday, January 4, 1877. The administration of Governor Williams, in accordance with the provision of the Constitution, commenced on the second Monday in January, or the first Monday succeeding the meeting of the Legislature.

In his maugural address to the General Assembly he said: "Our State, in common with the rest of the Union, and especially the western portion, is experiencing the distress and embarrassment consequent upon a system of overtrading and deceptive speculation. Our consumption having exceeded our income, the balance must be restored by a corresponding excess of our receipts over our expenses. We have been lured to the embrace of debt under the flattering guise of credit, and we can be extricated only by the joint aid of industry and economy. We should again seek the ancient landmarks of frugality and republican simplicity, from which too many have unwittingly strayed. Labor is the prime source of wealth in a State." He recommended further, true economy in all public expenditures, and that none should be incurred for official services unless found necessary or useful. He declared excessive legislation to be an evil; that it imposed additional burdens upon the treasury, and made the laws themselves to become complex, vague and uncertain. He recommended that the right of suffrage should be properly guarded against all encroachments in the shape of fraud, illegal voting, or lawless violence; that the ballot-box should be made to reflect the will of the majority, and that illegal voting and frauds in elections should be severely punished.

The regular session having adjourned without completing the necessary legislation appertaining to certain appropriations, Governor Williams called an extra session, and in his special message, delivered on the 6th day of March, he said: "At a late hour last night I was made aware of your probable adjournment without final action, and requested your attendance in this special session to complete the unfinished business of public importance remaining on your files. Without further enactments than those you have left in force, the benevolent and possibly the penal institutions can be supported as enjoined by the Constitution, and in general the ordinary expenditures can be lawfully made. It is more particularly for expenditures of an extraordinary character that you are asked to legislate. Our indebtedness, foreign and domestic, permanent and temporary, costs us in interest nearly \$300,000 annually. For the payment of this an appropriation is needed. An enlargement of our Hospital for the Insane has been prosecuted nearly to the enclosure of a spacious and well-planned department for women. An appropriation of \$300,000 is asked for its speedy completion. Completed, it will provide for the female insane of the State, and by relieving the present building of the women who are now inmates, afford ample room for the insane men. The large and rapidly increasing number of convicts in the Prison North, and the inadequate provision made for their care, have already been fully brought to your notice."

He called the attention of the Legislature to the heavy indebtedness of the Prison South, and recommended that something should be done to relieve its embarrassments. He also called attention to the agricultural interests of the State, and urged the Legislature to make an appropriation of at least \$25,000 to the Board of Agriculture "to save their property from sacrifice."

The Legislature, at its special session, made the following specific appropriations, viz.: To the State Prison North, for the completion of a new cell house, \$70,000; for an additional workshop, \$10,000. It also appropriated \$500 to each of the

State prisons for the purchase of books for the use of the convicts. To the new building of the Insane Hospital for the year 1877, in addition to the \$50,000 previously appropriated, \$100,000; for the year 1878, \$150,000, and to the State Board of Agriculture for the year 1877, \$15,000, and for the year 1878, \$10 000; and to the State Prison South, for the payment of the indebtedness contracted prior to December 15, 1876, \$120,000.

Among the acts of principal importance passed at the special session of the Legislature was the one authorizing and providing for the erection of a new State House. As the building of a new capital will require several years for its completion, and is a public enterprise of the highest importance to the people of the whole State, the entire act authorizing its construction is given below:

AN ACT TO AUTHORIZE AND PROVIDE FOR THE ERECTION OF A NEW STATE HOUSE, AND FOR MATTERS INCIDENT THERETO. Approved March 14, 1877.

SECTION 1. Be it enacted by the General Assembly of the State of Indiana, That for the purpose of organizing to build a new State House, the Governor shall appoint four State House Commissioners, who shall be selected in equal number from the two leading political parties of the State, and, together with the Governor, constitute the Board of State House Commissioners. Such Board shall be appointed by the Governor within such time as he may deem best, not later than September first, 1877 The Governor shall notify such persons of their appointment under his certificate and seal, and such notice shall constitute their commission, and shall be by them deposited in the office of the Secretary of State, and there recorded The Commissioners, so appointed, shall each give bond, to be approved by the Governor, in the sum of twenty thousand dollars, conditioned for the faithful performance of such duties as may be imposed upon them by law, and that the cost of the building shall not exceed two millions of dollars. The Governor shall not give bond by reason of being a member of such Board, and shall be the President thereof. He shall sign the record of the proceedings of the Board, and shall sign or stamp all vouchers before a warrant is drawn upon them. He may, for cause, remove any member of the Board, and shall report the cause, and the fact to the next General Assembly. He shall fill, by appointment, all vacancies occurring

by reason of such removal, or other cause. The person so appointed, to fill any vacancy, shall be selected from the political party to which

his predecessor belonged.

SEC. 2. The persons appointed State House Commissioners, as above provided, shall, within thirty days after their appointment, qualify by taking an oath that they will honestly, diligently, and according to law, discharge the duties of State House Commissioners. They shall cause to be kept a record of their proceedings, shall report, quarterly, to the Governor, for the use of the public, a synopsis of their proceedings, and an account of their expenditures. They may make such rules and regulations for the payment of money, the government of contractors and employes, and the management of the grounds and premises, as they may deem prudent, not inconsistent with this act and the laws of the State. They may meet on their own adjourn nent, and shall meet on the call of the President of the Board. A quorum present shall be sufficient to do business. They shall receive for their services the sum of five dollars per day, and actual traveling expenses, for the time they are actually employed in attending to their duties as State House Commissioners, to be paid on itemized statements, sworn to by the claimant.

SEC. 3. The Board of State House Commissioners are authorized and directed, as herein provided, to build a new State House, the cost of which shall not exceed two millions of dollars, on the grounds provided by the State for that purpose, in the City of Indianapolis, and bounded by Tennessee, Mississippi, Washington and Ohio streets; and when it becomes necessary they shall cause the old building to be removed, and they shall provide temporary quarters for the General Assembly, and for the officers now occupying the present building; and the said Commissioners are authorized and directed to contract and agree with the City of Indianapolis, or persons interested, for the vacation of any intersecting streets, or for the use of streets and alleys, for disposing of tools and materials, and for the purpose of laying down temporary connecting railroad tracks for the transporting of materials, tools, etc., and the City of Indianapolis is hereby authorized to make such agreement and contracts as are herein contemplated. The State of Indiana hereby accepts the offer made by the Board of Commissioners of Marion county, to furnish rooms for the General Assembly, and the order of such Board of Commissioners, in furnishing such rooms, is hereby legalized.

Sec. 4. The Board of State House Commissioners, in making selection of a plan for the erection of a State House, shall call to their assistance at least one competent and qualified architect, of known skill and ability in his profession, who shall not have submitted a plan for competition; also, one civil engineer and one builder, who shall each

be of good standing in their respective avocations, and shall cause them to take an oath as follows in substance: "I do solemnly swear (or affirm) that I have no pecuniary interest, whatever, in the selection of a plan for a new State House, that I will not be influenced in my decisions by any personal prejudices or partialities, but will faithfully discharge my duty according to law, and will hold my action, and the action of the Board of State House Commissioners, in the selection of a plan for a new State House, which may come to my knowledge, in strict confidence." The Commissioners shall then proceed to give the plans, now in possession of the State, with such additional drawings as may be submitted for their further explanation, a thorough and critical examination, in the progress of which they shall cause the experts, so called to their aid, to thoroughly examine all the said plaus and specifications thereof, and test the estimates submitted. If they shall find the specifications and estimates correct, and that the buildings, or any one of them, contemplated in such plans, can be constructed within the limit of two millions of dollars, be suitable, in respect to permanence and convenience, adapted to all the purposes and aims of a State House building, and in keeping with the dignity of the State, the Commissioners may select the most meritorious of such plans, and notify the successful architect thereof, and shall then return the drawings of the rejected plans to the author thereof. If, however, after such examination, the Board of Commiscioners shall find that none of said plans are suitable, they shall reject them all, and at once cause publication to be made in two newspapers within the State, and one, each, in the cities of New York, Boston, Philadelphia, Cincinnati, Chicago, St. Louis and Louisville, that at a certain time, not to exceed ninety days thereafter, they will proceed to examine such plans and specifications for a State House building, not to exceed in cost two millions of dollars, as may be submitted to them by competing architects, and each of said competing architects shall submit to the Board a sealed proposal of what fees, salary or percentage he will charge, or expect, if his plans should be adopted. At the time specified for making the award, the Board of State House Commissioners shall again call to their assistance experts as hereinbefore provided, and shall proceed to examine the plans and specifications then submitted to them, under the same rules and conditions as in the case of the plans now in the possession of the State; and if, in such examination, they fail to find any plan coming within the requirements of this act, they shall re advertise, and proceed in the manner hereinbefore prescribed, until a suitable plan is secured.

SEC. 5. The Board are authorized to contract for labor, material, transportation, or any distinct portion of the work. All lettings of the work shall be advertised in two newspapers of general circulation. In all contracts the interest of the State shall be protected by proper

bonds. All contracts with the builders, architects or material men, shall reserve the right of the Board, for good cause shown, and of the Legislature, by concurrent vote of both houses, to annul the contract. And the Board shall make no altowance for damages, only for expense incurred and for labor performed. Ten per cent, shall be reserved from payments on estimates on work contracted, until such contract shall have been completed, inspected and accepted. The contracts shall be so let that the State shall not be required to pay, in any one year, including all other necessary expenses, in all, more than eighty per cent, of the tax levy for such year, for the building of the State House: Provided, There may be added thereto any money remaining in the treasury from the tax levy of any preceding year, colleged for building the State House.

Sec. 6. The building shall be fire proof, so as not to require that it shall be insured. The material shall be of the best quality, and the directions, plans and specifications of the work shall be executed by skilled and reputable architects, contractors, artists, mechanics and laborers. The Board shall, so far as is just and practicable, and with due regard to the material interests of the State, make preference of Indiana material and labor. In any plan and specifications accepted, the architect shall be required to, and shall guarantee that each and every part of the building shall be perfect and complete in itself, and sufficient to accomplish the purpose for which it is intended as fully and completely as it is made to appear, or represented in the plan or declarations of the architect; and he shall be required to give bond, with acceptable sureties, in the penal sum of one hundred thousand dollars, conditioned that said plan shall be complete and perfect for the purpose designed and intended, and that the building shall be fully completed and finished, as a whole and in every part, for and within the price and cost estimated and fixed by such architect, and which price or cost shall be stated in his proposition, or submission of a plan and specifications. And it shall be further understood and agreed that no extra work or material shall be necessary to complete the building. than that in the estimates set forth; and should any be required, that the architect shall do such work and furnish such material at his own cost, and finish the work complete for the price estimated by such architect.

Sec. 7. The Board shall appoint a Secretary who shall take an oath to faithfully perform the duties of his office. He shall keep a record of the proceedings of the Board, shall make a record of all contracts and obligations, shall furnish each contractor with a copy of his contract, marked "approved" by order of the Board, —, (day and date), and no contract shall be valid until thus endorsed and delivered. He shall certify to all vouchers ordered by the Board, shall keep a set of books,

so as to show the financial condition of the Board; shall make yearly statements of cost of building, and a complete list of vouchers, and for what purpose, and to whom paid, which reports the Governor shall transmit to the Legislature. The pay of the Secretary shall not exceed fifteen hundred dollars per year. All contracts for any purpose connected with the building, where the amount exceeds five hundred dollars, shall be regularly passed upon by the Board in session, and shall be recorded by the Secretary in a book kept for that purpose; and a copy shall be made out and certified to by the Secretary, and delivered to the other party of the contract; and until such delivery, no contract shall be valid or binding on either party; and the Secretary shall retain, in proper files, all vouchers, statements of accounts, and other papers of value or importance to the Commissioners, the contractors or the State.

Sec. 8. The Board may, when they deem it necessary, employ a Superintendent, who shall be qualified and give bond, as may be prescribed by the Board, who shall also prescribe his duties and compensation.

SEC. 9. It shall not be lawful for any member of the Board, or the Architect, Superintendent or Secretary, to be directly or indirectly interested in or to derive any profit from any contract, employment, or purchase connected with the building, or with the action of the Board; nor shall either of the above-named officers be the owner or interested in any claim against the Board, or the State, growing out of the building of the new State House, or removing the old one, other than for their compensation for services. Any of the above-named officers guilty of violating the provisions of this section, or of corruptly using his official position, shall be deemed guilty of a felony, and, upon conviction, shall be fined in any sum not exceeding ten thousand dollars, to which may be added imprisonment in the State Prison for any term not exceeding two years.

SEC. 10 The architect, whose plans are selected, shall be the supervising architect of the building, and shall give bond in the sum of one hundred thousand dollars, conditioned that he shall faithfully discharge the duties of his office, and he shall be liable on his bond for all losses or damages that may be incurred on account of his violating any of the provisions of this act, or on account of his neglect or incapacity for the duties of his office. He shall receive such compensation as may be agreed upon in advance: *Provided*, No contract with an architect shall be made allowing more than three per cent. commission, as full compensation for plans and specifications, and the supervision of the erection of such building, as the architect thereof.

Sec. 11. There shall be assessed in the year 1877, the sum of one cent upon each one hundred dollars worth of taxable property in the

State, to be collected as other State taxes, assessed at the same time, are collected. And the year 1878, there shall be assessed and collected, as above, the sum of two cents upon each one hundred dollars worth of taxable property in the State, which money, when collected and paid into the State Treasury, shall be kept and known as the new State House fund; and the proceeds of the tax, herein levied, is hereby appropriated to the use of the State House Commissioners, as hereinbefore provided.

SEC. 12. There is hereby declared an emergency for the passage of this act, and the same shall be in force from and after its passage.

Governor Williams appointed the following persons as the State House Commissioners, viz.: I. D. G. Nelson, of Fort Wayne; W. R. McKeen, Terre Haute; General T. A. Morris, and General John Love, of Indianapolis. These, with the Governor, J. D. Williams, ex-officio member and President of the Board, met at the Governor's rooms on Thursday, May 24, 1877, and completed their organization by electing W. C. Tarkington secretary.

The Commissioners, after visiting several State capitals and examining their State Houses, proceeded to business by securing the services of Major Francis D. Lee, of St. Louis, as expert architect, Major Jared A. Smith, United States engineer, as expert civil engineer, and Francis D. Allen, of Evansville, Indiana, as expert builder. These assembled at Indianapolis July 2, 1877, and after being duly qualified as required by law, proceeded to the examination of the four plans named in the act. These plans, in the possession of the State, were known and designated by the names of the parties who submitted them, viz.:

- I. Charles Eppenhausen, Terre Haute, Indiana.
- II. J. C. Johnson, Fremont, Ohio.
- III. George B. F. Cooper, New Albany, Indiana.
- IV. E. E. Myers, Detroit, Michigan.

After a thorough examination of these plans, consuming over six weeks of time, the Board decided that none of them fully met the requirements of the law.

The Board then opened competition to the plans of all

architects. They advertised on the 12th of September in the newspapers of the several cities designated in the act for new plans, which they would proceed to examine within ninety days.

Twenty-four new plans were entered for examination. The following experts were appointed to assist the Commissioners in their labors, viz.: James K. Wilson, of Cincinnati, arcihtect; Henry Walters, of Louisville, builder, and Cyrus M. Allen, Jr., of Vincennes, engineer. Robert P. Haynes was elected secretary January 11, 1878, in place of Captain W. C. Tarkington.

W. R. McKeen, one of the Commissioners, resigned his office, and John Collett was elected in his place, and entered upon duty February 1, 1878.

With a view to facilitate the work, and to confine it as far as practicable to the requirements of the law, the Commissioners instructed the experts to report (in addition to any suggestions that might occur to them) the information derived from a careful consideration of the following questions:

- "1. Can the building be completed according to the plans and specifications within the limit named in the law, viz.: \$2,000,000?
- "2. Are the foundations in character and extent sufficient to support the superstructure in such manner that no injury is to be apprehended to any part of the work from settling or crushing?
- "3. Are the materials of the superstructure in kind and quantity such as to insure stability and permanence?
- "4. Are the combinations of materials such as to give strength and security to the entire structure, regard being had to the methods of spanning spaces between walls, construction of roofs, dome and towers, supporting stairways or other dependent portions?
 - "5. Are damages from fire sufficiently guarded against?
 - "6. Having regard to convenience, adaptability to the

purpose required, harmony and dignity of the work, are the arrangements adequate for light to the corridors and rooms and offices—sunlight by day and gaslight by night?

- "7. Is ample provision made for safely heating the building and all its parts, as also the needed supply of water, gas, etc.?
- "8. Are the pipes for conveying heat, gas and water easily and conveniently accessible?
 - "9. Is drainage amply provided for?
- "10. Your opinion is also requested as to architectural symmetry, beauty and harmony of parts, including ornamentation and general conformity to the dignity, resources and progress of the State?"

After a thorough examination of all these plans the Commissioners selected the one bearing the motto of "Lucidus Ordo," or the plan submitted by Edwin May, of Indianapolis.

The following agreement for building the new State House was made between the State House Commissioners and Edwin May, the author of the successful plan:

ARTICLES OF AGREEMENT WITH THE SUPERVISING ARCHITECT.

These articles of agreement, made this eleventh day of April, 1878, in pursuance of the provisions of an act of the General Assembly of the State of Indiana, approved March 14, 1877, entitled "An act to authorize and provide for the erection of a new State House, and for matters incident thereto," by and between the Board of State House Commissioners appointed, qualified and acting as such Board pursuant to the provisions of said act, party of the first part, and Edwin May, of the city of Indianapolis, architect, party of the second part

Witness, that said Board of Commissioners having duly advertised for plans for the erection of said new State House, and having received divers plans, specifications and estimates from divers architects, and having examined all the same as provided for in said act, have selected and adopted the plan submitted by said Edwin May, designated by the motto, "Lucidus Ordo."

It is agreed, promised and covenanted, by said party of the second part, in consideration of the agreements and covenants of said party of the first part, hereinafter set forth, that he does hereby make over to said Board of Commissioners, as the property of the State of Indiana, said plan, with all accompanying drawings, specifications, directions and estimates; and that he will, in like manner, furnish and make over to said Board of Commissioners, as the property of the State, as soon as prepared, all other plans, drawings, specifications, directions and estimates, that may hereafter be made by him, and relating to the construction of said new State House.

Said party of the second part agrees that he will fully and faithfully perform, all and singular, the duties of supervising architect in the erection of said State House, furnishing all plans, specifications, drawings, directions and estimates necessary, proper or useful, in the erection of said building, as the same may be needed or required, prepared in a skillful and competent manner; and that he will perform, all and singular, the duties of supervising architect, until the entire completion of said building, in whole and in all its parts and details, ready for occupancy, to the satisfaction of said Board of Commissioners.

And the party of the first part agrees to employ a competent superintendent during the time said building is in process of actual construction, but not during any other time, who shall qualify and give bond as may be prescribed by said Board of Commissioners, and whose duties shall be prescribed by said Board.

Said party of the second part guarantees that each and every part of the said new State House shall be perfect and complete in itself, and sufficient to accomplish the purpose for which it is intended, as fully and completely as it is made to appear, or is represented, in his plans or declarations, and that his plans, drawings and specifications, shall be perfect and complete for the purposes designed and intended, and that said building can be fully completed as a whole, and in every part, for and within the price and cost estimated and fixed by him as architect, in his estimates; and that no extra work or materials shall be necessary to fully complete the building more than his estimates set forth, and should any such extra work or materials be required, that he will do such work, and furnish such material- at his own cost, and finish the work complete for the price estimated by him as architect. unless such extra work and materials shall become necessary by means of some change or modification of plan to be hereafter made by said Board, or by direction of the Legislature.

And it is agreed and understood, that said party of the second part, whenever he may object to any materials or work in the erection of said building, shall file his protest in writing with said Board of Commissioners, setting forth his objections and reasons therrfor, it being understood that said party of the second part shall be considered to have acquiesced in the use of all materials and labor, except when his written protest has been filed, as above provided for.

It is expressly agreed that the right is reserved to said Board of Commissioners, and also to the Legislature, at any time or times during the progress of the work, to make any change or changes, modication or modifications, of the said plan and specifications of said Edwin May, adopted as aforesaid, as in the judgment of said Board of Commissioners, or of the Legislature, may be found necessary, expedient or desirable, and in any and every case where such change or modification shall be so deemed necessary, expedient or desirable, said party of the second part shall, whenever so required by said Board of Commissioners, prepare and submit plans, drawings, specifications and estimates of cost of any such change or changes, modification or modifications, and for the sufficiency and correctness of the same, said party of the second part hereby agrees to be, and shall be, responsible, to the same extent as though the same had been embraced originally in his plans, drawings, specifications and estimates, adopted as aforesaid.

Together with such plans, drawings, specifications and estimates of any such change or modification, said Edwin May, architect, shall also show in writing what portion or portions, if any, of work and materials embraced or contemplated in said original plan will be superseded or dispensed with by such change or modification, together with a detailed estimate of the cost of such labor and material so superseded or dispensed with.

All plans, specifications and estimates of modifications or changes, and of work and material embraced or contemplated in the said original plan, but superseded or dispensed with as afores id, shall be so made by said supervising architect as that said Board of Commissioners will be able to decide intelligently as to the effect that would thereby be produced upon the ultimate aggregate cost of said proposed new State House.

But it is further expressly agreed and understood that no such change or changes, modification or modifications of plan shall be made as will cause the aggregate cost of the proposed State House to exceed the sum of two million (\$2,000,000) dollars.

It is further agreed that if, preparatory to the letting of contracts, or at any time, or for any purpose, it shall, in the opinion of the Board, be necessary, expedient or convenient to procure any further or additional estimates, the party of the second part shall, upon demand, prepare and submit the same to the Board. And further, that he will from time to time, as the work progresses, and whenever the same becomes necessary, furnish to the Board the proper working drawings for said building.

It is agreed that the said party of the second part shall receive in consideration for his plans, drawings, specifications, estimates and all his services as architect and supervising architect, a sum equal to

two (2) per centum of the actual cost of said building; provided, however, that said per centum shall not in any case be computed on a sum greater than two millions of dollars; and it being understood that of and as a part of said two per centum the sum of six thousand dollars shall be paid to said party of the second part in consideration and as compensation for his plans, drawings, specifications and estimates prepared and submitted, and hereafter to be prepared and submitted to said Board of Commissioners, said six thousand dollars shall be paid out of the first moneys in the State Treasury for State House purposes that in the judgment of the Board of Commissioners can be properly applied to such purpose.

The residue of said commission shall be paid upon quarterly estimates of work done, proportionately as the work proceeds. As a standard for estimating approximately the amount of each proportionate quarterly payment, it shall be assumed that the entire cost of the State House will be \$1,800,000, and that, therefore, said \$6,000, when paid, will be a payment of one sixth in amount of said May's commission. The amount, therefore, of each quarterly payment shall be five-sixths of two per per centum of said estimate of work done. But when the actual cost of the building shall be known final settlement shall be made upon that basis, and not upon the assumed cost aforesaid.

All such quarterly estimates shall be subject to the approval of the Board.

The party of the second part agrees that in all cases he will submit to and be bound and concluded by the decisions of the Board as to what constitute his duties as architect and supervising architect, and the Board shall have the power to decide as to all plans, drawings, specifications and estimates, and as to all materials and labor used in the crection of said building.

It is hereby provided that said Board of Commissioners, for good cause shown, or the Legislature by concurrent vote of both Houses may annul this contract, and the right to do so is hereby expressly reserved.

These articles are executed in duplicate the date above written.

Signed by order of the Board.

J. D. WILLIAMS, President. EDWIN MAY.

Notwithstanding injunction suits by some of the disappointed architects and disaffected persons, the Commissioners are proceeding energetically in the business entrusted to their hands. The old State House has been demolished and every vestige of its remains removed, and the people of Indiana may congratulate themselves that in a few years they will

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have a capital building that will comport with the dignity, wealth and progress of the State.

The most noted event of the year 1877, and the one that threatened the most serious calamity to the country, was the great strike among the employes of several of the main trunk lines of railway and their branches. This strike was inaugurated early in the month of July upon the Baltimore and Ohio Railroad, and in a few days extended to numerous other roads. A failure of some of the companies to pay their employes with promptness, and especially a threatened reduction of wages to take effect at a certain date, gave rise to intense dissatisfaction among said employes, and led them hastily to the commission of overt acts of lawlessness. They not only refused to work for their employers, but by threats, force and intimidation, prevented others from taking their places on the trains. This caused an almost complete suspension of business and travel upon the main lines of railroad from the Eastern Atlantic seaboard as far west as Omaha. This embargo upon the business and commerce of the country lasted over two weeks, and severely tasked the patience and forbearance of the people, though many sympathized to a certain extent with the dissatisfied employes. Travelers were detained on their journey and shippers suffered losses from delays in their consignments. Several of the railroad companies sustained heavy losses in the wanton destruction of their property. The severest calamity occurred to the Pennsylvania road at Pittsburg, in the burning of their depot and an immense number of cars, merchandise in transit, etc., by an infuriated mob. This loss is estimated at several million dollars. Military interference by the United States and by the State authorities became necessary to quell the disturbance, restore order and protect the property of the railroad companies. Fortunately in this State but little harm was done to person or property. Mild counsels prevailed, and peace and order and resumption of business upon the embargoed roads were speedily restored.

The following proclamation was issued by Governor Williams in relation to the disturbance in this State:

A PROCLAMATION.

To the People of Indiana:

Many disaffected employes of railroad companies doing business in this State have renounced their employment because of alleged grievances and have conspired to enforce their demands by detaining trains of their late employers, seizing and controlling their property, intimidating their managers, prohibiting by violence their attempts to conduct their business, and driving away passengers and freight offered for transportation. The peace of the community is seriously disturbed by these lawless acts. Every class of society is made to suffer. The comfort and happiness of many families not parties to the grievances are sacrificed. A controversy which belongs to our courts, or to the province of peaceful arbitration or negotiation, is made the excuse for an obstruction of trade and travel over the chartered commercial highways of our State. The commerce of the entire country is interfered with, and the reputation of our community is threatened with dishonor among our neighbors. This disregard of law and the rights and privileges of our citizens and those of sister States can not be tolerated. The machinery provided by law for the adjustment of private grievances must be used as the only resort against debtors, individual or corporate. The process of the courts is deemed sufficient for the enforcement of civil remedies as well as the penalties of the criminal code, and must be executed equally in each case. To the end that the existing combination be dissolved and destroyed in its lawless form. I invoke the aid of all the law-abiding citizens of our State. I ask that they denounce and condemn this infraction of public order, and endeavor to dissuade these offenders against the peace and dignity of our State from further acts of lawlessness.

To the Judiciary: I appeal for the prompt and rigid administration of justice in proceedings of this nature.

To the Sheriffs of the several counties I commend a careful study of the duties imposed upon them by statute, which they have sworn to discharge. I admonish each to use the full power of his county in the preservation of order and the suppression of breaches of the peace, assuring them of my hearty co-operation with the power of the State at my command when satisfied that occasion requires its exercise.

To those who have arrayed themselves against government and are subverting law and order and the best interests of society by the waste and destruction of property, the derangement of trade, and the ruin of all classes of labor, I appeal for an immediate abandonment of their unwise and unlawful confederation. I convey to them the voice of the law, which they can not afford to disregard. I trust that its admonition may be so promptly heeded that a resort to extreme measures will be unnecessary, and that the authority of the law and the dignity of the State, against which they have so grievously offended, may be restored and duly respected hereafter.

Given at Indianapolis the twenty-sixth day of July, 1877.

Witness the seal of the State and signature of the Governor.

JAMES D. WILLIAMS,

Governor of Indiana.

By the Governor:

JOHN E. NEFF, Secretary of State.

This closes the important events that have transpired during Governor Williams' administration to this time. The people of Indiana, as well as those of her sister States, have experienced some adversity and loss from the effects of the financial panic of 1873, whose shadow now seems to be passing away, but the excellent crops of the past years are dispelling the gloom that has so long hung over the country, and the indications of renewed vigor and prosperity in the commonwealth are unmistakable.